

AFTERSHOCKS OF ECONOMIC CRISES

Discursive shifts in business magazines in 2006–2013

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The financial crisis of 2007–2009 shook the world economically and politically. It also challenged the hegemonic discourse of our time – neoliberalism. Neoliberalism is defined especially by the logic of market determinism and the logic financialisation. However, speculative behavior almost caused the global financial system to collapse. Even business magazines, which would normally support the free market, urged the governments to intervene decisively. In this thesis, Utilizing Ernesto Laclau's discourse theory, I study whether the financial crisis caused any significant and long-lasting shifts in the hegemonic discourse as it is presented in media. My research material consists of selected articles from mainstream business magazines *The Economist* and *Businessweek* from the years 2006–2013. The research material indicates that the immediate shock of the crisis did indeed make the business magazines to question the efficiency of the neoliberal hegemony. However, this shift was incomplete and only temporary. The logics of market determinism and financialisation continued to dominate after the acute danger of a global financial collapse was over.

Keywords: discourse hegemony journalism neoliberalism dislocation

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1 INTRODUCTION

“The ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed the world is ruled by little else. Practical men, who believe themselves to be quite exempt from any intellectual influences, are usually the slaves of some defunct economist. Madmen in authority, who hear voices in the air are distilling their frenzy from some academic scribbler of a few years back.” (Keynes 2011, p. 189)

The words of economist John Maynard Keynes, published originally in 1936, still resonate today in the world where vested interest of all sorts are playing tug of war with huge stakes. While Keynes did not use the term, *discourses* and their agents are fighting for power in all aspects of our lives. Those discourses are often personified and given authority by politicians, famous academics, or business leaders. Journalists are trying to make sense of this cacophony while trying to remain equitable, fair and honest – often failing miserably. Yet, journalism too plays a significant role in deciding how we speak, think, write, and act in the society.

In this thesis, using the discourse theory, I will explore how significant shocks, such as the 2007–2009 financial crisis, can upset the balance within a society and make us aware of the faults in our current system. I will research, how these possible shifts in discourses surfaced in business magazine articles by comparing the language and framing choices used before, during, and after the crisis.

To better understand how and why the financial crisis happened, I will delve into the current hegemonic (but embattled) discourse – neoliberalism. I will explain the birth of neoliberalism and how it has affected the structure of our economy, political system and daily lives. As a business journalist¹ myself, I think it is crucial for media professionals to be cognizant of the power structures that guide even our professional actions to great extent. No person can fully break free of biases, but we must be aware of why we think

¹ At the moment (2016), I work for a Finnish daily newspaper Helsingin Sanomat. I have never worked for the publications used as research material in this thesis and have no affiliations with them.

the way we do. Usually, the reason is that we live within a hegemony where certain discourses or logics of thought are considered more acceptable than others.

For the last 40 years or so, the idealization of corporations and free markets has been the guiding light of Western societies. Only after the collapse of the Lehman Brothers in September 2008, something broke. The discourses are in a state of mutation but it is still uncertain whether the societies will choose to march on under the familiar reign of neoliberalism or whether there will be a change of discourse – a new form of capitalism or something else entirely.

Rather than lethargically waiting for the answer, media should actively and bravely partake in defining where the civilization should venture next. My optimistic hypothesis is that I will find positive signs of fresh, independent thinking both from my research material and the sources I debate with in this thesis. I hope that journalists attempt to redefine the hegemonic discourse in varied ways and offer readers options to expand their thinking outside of the aging neoliberal box. More pessimistic scenario is that the media just sweeps the near-collapse of global financial markets under the carpet and keeps on believing with the investment bankers that everything will be fine as long as we trust in the Smithian invisible hand¹.

Economic philosopher Nassim Nicholas Taleb leans on the pessimistic side:

“-- journalists tended to cluster not necessarily around the same opinions but frequently around the same framework of analyses. They assign the same importance to the same sets of circumstances and cut reality into the same categories – once again the manifestation of Platonicity, the desire to cut reality into crisp shapes.” (Taleb, 2007, p. 15)

Although the above description refers to journalists’ behaviour during the Lebanese Civil War of 1975–1990, Taleb observes that the similar behaviour emerges in all sorts of situations such as the dot-com boom of the late 1990s. He thinks that the herd men-

¹ Adam Smith was the renowned Scottish economist of the 18th century Britain who first used the term “invisible hand” to describe the guiding force of markets and self-interest. More on him later in the thesis.

tality drove journalists to come up with irrational explanations as to why some unprofitable IT-companies deserved their ludicrous stock prices, even if some of the companies had no profits, and sometimes not even revenues.

The same logic applies to the 2008 financial meltdown or the Spanish and Irish housing bubbles which popped during the sovereign debt crisis of Europe. The European disaster is still smouldering at least in Greece at the beginning of 2016. Taleb blames this phenomenon on contagion. The concept of contagion can easily be adapted to discourse analysis: The journalists (also analysts, scholars and other professionals) feed each other in order to reach some sort of comforting reasoning to the events around them, instead of challenging the dominant discourse at the top of the hegemony.

“If you selected one hundred independent-minded journalists capable of seeing factors in isolation from one another, you would get one hundred different opinions”, Taleb acknowledges (2007, p. 15). Unfortunately, in the real world, we journalists live within the same discursive environment. Because of that our independent thinking is stunted.

Taleb’s criticism is shared by many. For example, Mauno Koivisto, the former president of Finland, famously likened journalists to a herd of lemmings in the 1980s (e.g. HS 28.5.2014). Lemmings, according to a myth, commit a mass suicide by jumping off a cliff (in reality, some of them can indeed drown, albeit accidentally, during a herd migration). The exaggerated parable tends to fit to journalists and investors far better than to actual lemmings. Hopefully, the financial crisis has awakened more journalists to think and write critically, thoughtfully, and courageously.

In order to dissect my research material, I am using Laclau’s discourse theory, which is a great framework to use in analysing politically charged texts. Through discourse theory, I try to spot the discursive power struggles within journalistic articles and evaluate through normative means how these texts are attempting to shape the society.

The focus of this research is in discursive shifts in *Western societies*, especially the United States and European Union. However, neoliberalism is a powerful discourse that has had huge effects on all major societies in the world. The spread of neoliberalism has been powered by globalism, which has torn down barriers of trade and culture. Thus, many of the points raised in this thesis are applicable globally.

For my research material, I have chosen two respected and international business magazines: The Economist and Businessweek. Through these traditionally business-friendly publications I will analyse whether there have been any shifts in the discursive choices journalists do every day. While my research material is limited, I try to support my arguments with relevant literature.

I try to be open and aware of my own biases, which are undoubtedly varied. I do not have any connections to party politics, nor do I feel particular pull to either left or right. I believe that capitalism is the best system to organize our increasingly global economy and that democracy is the best political system in the long run. However, I consider the neoliberal discourse both socially and economically harmful in many aspects and would like to see a hegemonic discourse shift *within* capitalism. Governments of the world should have a larger and more cooperative role in setting the rules of the markets and making sure that the economic inequality does not grow too large.

My aim in this thesis is to eventually answer the following research question:

How did the 2007–2009 financial crisis alter discourses in business journalism?

In Chapter 2, I will describe the background setting for my thesis. I will tell the familiar tale of the financial crisis and put in the context of my research aims.

In Chapter 3, I will explain the basic tenets of discourse theory and debate, which is the best way to utilize Laclau's theories in journalistic analysis.

In Chapter 4, I focus on neoliberalism, the hegemonic discourse of our time. I tell about the roots of neoliberalism and about the key figures that have greatly influenced the way our societies function today.

In Chapter 5, I will discuss the methods of using discourse analysis in interpreting media texts. I will also introduce my research material.

In Chapter 6, I show through examples how the hegemonic discourse of neoliberalism has been present in journalism of the Economist and Businessweek before, during, and after the crisis. My aim is to decipher whether there have been any discursive shifts in the mainstream business magazine.

In Chapter 7, I will discuss about the conclusions of my thesis.

2 BACKGROUND – GHOSTS OF THE FINANCIAL MAYHEM STILL LINGER

By preferring the support of domestic to that of foreign industry, he intends only his own security; and by directing that industry in such a manner as its produce may be of the greatest value, he intends only his own gain, and he is in this, as in many other cases, led by an invisible hand to promote an end which was no part of his intention. Nor is it always the worse for the society that it was no part of it. By pursuing his own interest he frequently promotes that of the society more effectually than when he really intends to promote it. (Smith, 2015)

These lines by Adam Smith were first published in 1776. The metaphor of the “invisible hand” was mentioned only this one time in Smith’s magnum opus *The Wealth of Nations*. Yet those words reverberated through time and eventually inspired a boom of modern capitalism in 20th and 21st centuries.

The fabled invisible hand is what guides and justifies the discourse of neoliberalism. That concept means that pursuing self-interest will eventually create the greatest value for the society as a whole. Those who promote neoliberal values, argue that the invisible hand can function most effectively when it is given freedom to operate. That means that government involvement should be limited, and economic freedom should be protected.

This (often woefully misinterpreted¹) wisdom of Adam Smith has for long been the cornerstone of the hegemonic discourse that eventually led the global economy on the brink of total collapse.

In 2008 the world faced perhaps the worst financial crisis in modern history. Only the Great Depression of the 1930s matches its scale.

¹ Smith was well aware of how incentives in free markets can get twisted and drive executives to misuse other people’s money. Those distortions should be avoided, if possible. More on that in section 4.5.

The system had started to crack in the United States already in 2007. Financial institutions had recklessly loaned subprime mortgages to people who had no means to pay them back, and investors started to notice. Banks had packaged those loans into mortgage-backed securities and sold them on to other institutions. This gimmick of financial engineering simultaneously obfuscated the real value of the loans and spread the risk all over the world. The rating agencies, who were supposed to evaluate the risks of those instruments were either incompetent or outright fraudulent.

2008 was the year of the financial crash. In March, the U.S. central bank, Federal Reserve, lent 30 billion dollars so that JPMorgan Chase, a bank, could save its competitor Bear Stearns from failure. In the beginning of September, George Bush's administration essentially nationalized government-sponsored mortgage finance groups Fannie Mae and Freddie Mac, to prevent the whole residential mortgage system from collapsing.

Later that month, the metaphorical bomb was dropped: Lehman Brothers, the fourth largest investment bank in U.S., had to file for bankruptcy. Global mayhem was fuelled even further when the Fed created a credit facility that could loan up to 85 billion dollars to AIG insurance group to stop it from sinking into insolvency. The nightmarish news kept piling up. Investors were pulling out their money out. The markets were in shock, and especially bank stocks were dropping like stones. (Bernanke 2016, p. 9–10)

The panic quickly spread to Europe and the rest of the world. Several governments had to scrape together bailout packages to prevent their banking sectors from collapsing. In short, the global financial markets were rapidly burning to ground in a great global pyre. And this was just the beginning. The true effects were felt in the real economy by the poor and the middle class who had to put up with increasing sense of economic insecurity, who lost their jobs or even their homes, and suffered losses on their pensions and investments. According to IMF, in 2009 advanced economies suffered the worst decline in economic output at least since the World War II.

This scene has been described multiple times in hundreds of books and documentaries in recent years. The financial crisis has been burnt in the psyche of a contemporary man and woman. It has also become a generational experience for people born in the late 1980s and early 1990s who were just beginning their careers. We never really got to experience the heady boom years. Our early adulthood has been defined by stagnant wages, anaemic job markets, and dispiriting news about how nothing has really gotten

properly fixed after the crisis. In some countries, like Spain and Greece, the youth unemployment has been so prevalent for years now that whole generations are getting left behind.¹

To many of my age, the most depressing thing about the crisis is the inaction that followed over the years. The crisis left behind a lingering feeling that the current economic, political and social model is not quite right if it produces catastrophes like that of the 2007–2009. Maybe even the way we think is somehow wrong? Yet, we are still waiting for a fix.

The famed economist and The Financial Times journalist Martin Wolf does not believe that the crises of previous years have been enough to cause a significant shift in capitalism. He is in the camp that forebodes another huge crisis before the lessons sunk in. At the same time, he is an excellent example of how even renowned business newspapers like The Financial Times are becoming more accepting of diverse voices within their editorial staff. His case also shows how people with background in traditionally pro-markets organisations can change their minds when the system they have believed in for decades suddenly collapses or starts showing symptoms of serious illness. Wolf himself worked in World Bank before his career as a journalist.

In his recent book, Wolf scathingly summarizes the business model of contemporary banking as follows:

“– – employ as much implicitly or explicitly guaranteed debt as possible; employ as little equity as one can; invest in high-risk assets; promise a high return on equity, unadjusted for risk; link bonuses to the achievement of this return target in the short term; ensure that as little as possible of those rewards are clawed back in the event of catastrophe; and become rich.” (2014, 245)

As he points out, this worked out marvellously for the bankers but, for the rest of the world, this model has been catastrophically imbalanced. He also notes that the model applies even today, after the disaster has already struck. The incentives for banks to get

¹ According to Eurostat, youth unemployment averaged 20 percent in EU countries in January 2016. In Greece youth unemployment rate was 48 percent (November 2015) and in Spain 45 percent.

away with minimal equity and maximised debt are still there, even if the regulation concerning capital ratios has been tightened to the point that banks are ferociously lobbying for less regulation. Leveraging debt is the way to maximise their returns on equity, in other words, protect the short-term shareholder's value, even if it means risking the long-term stability and profits.

High-risk strategies are understandably still preferred especially by those banks, which are defined as systematically important (of which there are currently about 30 banks, according to the latest report by the FSB¹, and the number of systematically important banks and their size are actually growing). A systematically important bank can rely on implicit and to some extent even explicit state guarantees in the case of a crisis, which means they have little incentive to curb risk taking any more than is legally required of them. After all, they are infamously considered – too big to fail.

The wobbly structures of financial institutions are still endangering societies and thus our livelihoods. A second crisis too soon after the last global mayhem might cause serious damage, not just to the global economy but to political stability as well. Extreme movements from both right and left have already gained popularity in several countries including the United States, France, Britain, Greece, Italy and Spain.

The ghost of the financial crisis still lingers, and it will not leave before the people have gained enough confidence in their political leaders and economic security. That confidence will grow only if we begin to see real changes in the way politicians and business leaders speak and act.

¹ Financial Stability Board (FSB) is a Basel-based international organisation tasked to coordinate regulation and supervision of the global financial system. It was established after the crisis had hit, in 2009.

3 THEORETICAL FRAMEWORK – DISCOURSES SHAPE OUR WORLD

Laclau's discourse theory forms the framework of this thesis. While the core of the theory is a quite simple game of power, the usage of the theory can be quite complicated and obscure at first glance.

This is an important section of my thesis, because my aim is not just to analyse magazine articles but also to advance the discourse theory studies in my own small way. I have taken some liberties to make some of Ernesto Laclau's concepts simpler or easier to utilize, especially in media analysis.

3.1 Terminology

In this section I will explain the key terms of my research in a simplified form. In my experience, the terminology of the discourse theory can be quite insular and difficult to grasp. Because I had to flounder my way through the challenging theorems, I'd rather my reader has an easier time. The alphabetical glossary of key terms is meant to aid those who are unfamiliar with Laclau's discourse theory. I will delve deeper into the terms when writing about the details of my framework in other sections of this chapter.

These terms may appear in slightly different roles in other research depending on the chosen methodology, source material, and the ideological emphasis behind the research. Laclau's theoretical approach is open to many interpretations and does not always give direct answers, and certainly does not offer a lucid methodology for research purposes. Even in the different source materials I utilized, the terms were sometimes used in somewhat contradictory manner or similar terms replaced the ones introduced here.

The following definitions represent how *I've* chosen to apply these terms in this research. Most are rooted in the work of Ernesto Laclau and Chantal Mouffe, but I'm also drawing inspiration from other discourse research (such as Michel Foucault's) and adding my own spin. In addition to using the direct source of Laclau and Mouffe's writings, I'm also utilizing Lincoln Dahlgren, Sean Phelan, David Howarth, Yannis Stavrakakis,

Aletta J. Norval, and Natalie Fenton who have all utilized the discourse theory in their work. I will explore their thinking further later in this chapter.

Antagonism: Discourses evolve and shift through antagonism. Competing or opposing discourses challenge the hegemonic one. Hegemonic discourses wouldn't exist without contrasting counter-discourses. Antagonism keeps the evolution of discourses alive.

Articulatory acts: A discourse is both expressed and recreated through articulatory acts. All cultural acts are articulations of a discourse. Discourse is not just present in writing or in speech but also in art, television, decision making and other forms of expression.

Contingency: There is no impenetrable and objective reality when it comes to social and political identities, as Fenton puts it (2011, p. 180), channelling Laclau and Mouffe. Instead, there are countless possibilities and alternative identities which exist contingent with the hegemonic ones. That is why no hegemony is ever closed and the political struggle is constantly present, at least in the form of possibility. *Radical* contingencies are the counter-discourses that can fundamentally change our societies.

Chain of equivalence: Logics (fragments of discourses) form chains to create counter-discourses. These chains of equivalence are essential for the birth of a viable counter-discourse. Often logics float in quarrelsome chaos, and the opposition has a hard time forming a viable, unified option to the reigning discourse. A charismatic leader or an organized movement may be able to create chains out of separate logics.

Discourse: Our cultures, societies and knowledge is produced through discourses. Every human act is soaked in discourse, but we can become aware of the hegemony, and work to consciously alter it or replace it with a new one. In media, discourse is present in making journalistic choices. What gets to be news, what words are used, what is left out, who gets to be interviewed, and how it all is framed? These are all building blocks of discourse. While discourses are usually expressed through language, they are not just text or speech but rather culminations of power.

Dislocation: When a dislocation happens, people suddenly become aware of the hegemonic discourse and counter-discourses. A dislocation can be caused by a sudden disruption such as a financial or political crisis or a war. Dislocations offer a momentum for change, but that momentum can be fragile and quickly fleeting.

Field of discursivity: This is the imaginary space where different discourses and individual logics are shaping, disintegrating and merging. This cacophonous place is where the contingency (the realm of possibilities) exists.

Floating signifier: Competing discourses can give certain terms in the field of discursivity different meanings. These signifiers are empty of permanent meaning. For example, *immigrants* are a heated topic in Europe. Different political factions are using immigrants as a floating signifier by attaching varying, often conflicting, meanings to them, such as: burden, victim, source of economic growth, threat, enrichment of culture, terrorist, ally, and so on.

Hegemony: The current ruling system in a society is a hegemony. Hegemonic discourse is the pattern of thoughts, acts and habits, which are all influenced by the same underlying ideology. In this thesis I argue that the current hegemonic discourse is that of neoliberalism, which is guided by market fundamentalism.

Logics: Logics are essentially building blocks of a discourse that are defined through hegemonic process. Logics can also be viewed as sub-discourses or fragments of discourses that feed, alter, or oppose the hegemonic discourse.

Neoliberalism: Also called new liberalism. A hegemonic discourse of our time, which places the free markets above everything else. The argument goes that giving the markets free reign (à la invisible hand) creates the greatest amount of wealth and well-being in the world. Economic freedom and very little state interference are central to neoliberalism. In a multi-faceted world of our time, this is hardly the only prevalent discourse but it is the strongest one in most Western countries and its influence is felt throughout the world. Other related terms: market fundamentalism and free market capitalism.

3.2 The basics of the discourse theory

Discourse theory, largely established by Ernesto Laclau and Chantal Mouffe in their seminal 1985 book *Hegemony and Socialist Strategy*, has roots in Marxism¹, post-structuralism, psychoanalysis, and phenomenology (Dahlberg & Phelan, 2011, p. 15). In addition it draws much from the thinking of Martin Heidegger and Ludwig Wittgenstein, both philosophers (Laclau & Mouffe, 2014, p. 302, 312).

In this thesis, I will acknowledge the theory's philosophical and psychoanalytical influences but give them attention only sparingly. After all, my focus is how the discourse theory, fused together with other discursive frameworks, can be utilised in media studies. Laclau has stated in several of his works that discourse theory is an open-ended research programme, so I doubt he would have minded of unorthodox usage of his theory.

Laclau was an influential left-wing figure in Argentina. While the premise of his writings was blatantly anti-capitalism, I'm utilizing only his theories and academic tools – not his ideology – in this thesis. Same can be said about all my sources, which all obviously have varied left/right-wing or liberal/conservative biases.

In combination with the discourse theory, I'm using critical discourse analysis, especially in developing tools for my research. It could be said that the discourse theory is the theoretical framework of this thesis, while critical discourse analysis is mostly utilized in creating methods for my analysis.

Michel Foucault's view of ever-present power struggles in our daily lives is also an important backbone for this thesis. Foucault's philosophy is reflected in Laclau and Mouffe's views as well, although they disagree with Foucault in certain points or expand on his ideas.

¹ Karl Marx was a German philosopher, economist and sociologist whose ideas were used as the basis for the communist movement.

Our societies (as long as they've been well-enough structured to be called societies) have always been saturated by discourses, and discourses are rife with power. The dominant ones rise and fall, as the opposing logics form chains of equivalence to create counter-discourses to challenge the current hegemony – using Laclau's terminology. In a nut shell, new ways of thinking topple old ones. Dahlgren links the discourse theory with the Hegelian¹ and Marxist tradition as “the normative critique of domination and oppression” (2011, p. 238).

That is a rather bellicose way to put it. While the discourse theory can indeed show ways to challenge truly oppressive, dictatorial regimes, we must remember that Laclau developed this theory to mainly attack capitalism, which has the strongest present in democratic countries. The electorate has chosen the current legislators who are enabling the neoliberal hegemony. Rather than making a “critique of oppression”, I'm using the discourse theory in a more subtle way to show how *we* have subjected ourselves to the current hegemony and how we can better it. This subjection is often subconscious but still voluntarily. We, as a democratic society, have collectively created the hegemony, and we can also alter it.

The discourse theory emphasises and tries to unveil the optionality of the current state of affairs. The society is never completed, or it never reaches a positivity, universality or a totality, again, using Laclau's theoretical terms. There is always the realm of alternative possibilities – the field of discursivity, with which the hegemonic discourse has an antagonistic relationship. This field of discursivity is the metaphorical place from which the hegemonic discourse also once rouse, when differential entities came together to constitute it.

Differential entities can more easily be described as simply “moments” in a pool of possibilities. Once a discourse has risen, it will never be able to form an all-encompassing and final meaning because the field of discursivity still exist and this “surplus of meaning” subverts the “final suture” from ever happening. (2014, p. 311) In simplified terms,

¹ Georg Wilhelm Friedrich Hegel was a German philosopher.

even at this very moment there is a cacophony of different voices that oppose the market fundamentalism, which is the hegemonic discourse at the moment. Each one of those voices is its own entity but, if they can find common ground, they can form logics and then form chains of equivalence, which can become fully-formed opposing discourses. This opposing discourse can perhaps someday be loud enough to snatch the hegemony or fuse with the ruling discourse and perhaps change it in the process.

The society is like an avant-garde garment, which is never finished. Sutures are always added and unstitched, and the garment keeps on changing its form – the final suture is always missing. Because this contingency and antagonism exist, the society cannot reach a perfect state but, instead, it transforms as the counter-discourses gain enough power to subvert or alter the *status quo*. In practice, this means that any political system is prone to change. It may not happen quickly or visibly because the hegemony is within the sediment in our societies, but the field of discursivity always exists.

No matter how hard-headed and narrow-minded a society might be, the possibility for a change never truly goes away, especially, since the hegemony is built on an antagonistic position. The hegemony is defined by its opposition. It cannot exist without it. For example, communist China has adopted a socialist market economy model and continues eschewing and dismissing democracy as a viable political system for their country. Similarly, Western capitalist democracies see China's model both as a threat and an antithesis. Yet, the antagonism is exactly what keeps options alive. Without their counterparts, there would not be options at all.

Those are not the only options, of course – the field of discursivity can always surprise – but the point is, the hegemony lives and breathes on the thought that things could be different – for better or worse. Just the awareness of *one* option can lead to others. The discourse theory reminds us of this potential of change. And this potential is what comes suddenly very visible in crisis situations when the faults of the reigning system are exposed. These dislocations make discourse shifts possible.

3.3 Present in every moment and every act

“We must be ready to receive every moment of discourse in its sudden irruption; in that punctuality in which it appears, and in that temporal dispersion that enables it to be repeated, known, forgotten, transformed, utterly erased, and hidden, far from all view, in the dust of books. Discourse must not be referred to the distant presence of the origin, but treated as and when it occurs.” (Foucault 2002, p. 23)

As Michel Foucault impressionistically describes above in *Archaeology of Knowledge*, we live and breathe discourse. Discourses guide our every action, but as Foucault points out, the discourse can also be *known*. And when we become aware of the forces shaping our societies and our thoughts, we also gain the power to shape them, at least partially. This latter point of how subjects (us) can become active through discovering the optionality (radical contingency that exists within the field of discursivity) is explored especially by Mouffe and Laclau.

The term discourse is not used solely as a linguistic concept. The linguistic meaning of discourse is simply “passages of connected writing or speech” (Hall 2013, p. 29). The discourse in this thesis is a far more powerful force that can be expressed through all forms of action. Both saying and doing are involved in the formation of a discourse. As Hall puts it, “discourse is about the production of knowledge”. By this he refers to Foucauldian way of thinking, in which everything we know is produced through discourses. Every single thought is sifted through the field of discursivity.

Discourses are formed through articulatory acts, which group together to form social and political constructions. Articulation includes all social activities, not just speech acts or writing. Laclau and Mouffe call articulation “any practice establishing a relation among elements such that their identity is modified as a result of the articulatory practice.” Similarly, discourses are not just language, at least not in the narrowest sense. Discourses, formed through articulations, encompass all social activities. Using the theoretical language of Laclau and Mouffe, a discourse is “the structured totality resulting from the articulatory practice.” (2014, p. 292–293)

According to David Howarth and Yannis Stavrakakis, the social and political constructions (that is, discourses) establish “a system of relations between different objects and practices, while providing (subject) positions with which social agents can identify”

(2000, p. 3). We build our identities around discourses, or rather, we build them *on* and *of* discourses. Political, economic, social and private identities all draw from discourse. Every articulation exists within and in relation to discourses. No social being can escape the discursivity of this world. The ruling power constructions, hegemonies, are born from discourses, which themselves are replete with power struggles since every discourse is inherently antagonistic towards its challengers.

Antonio Gramsci (1992) divided the operation of society into two categories: hegemony and direct domination. This division itself reveals that hegemony is something subtle – not openly oppressive. The hegemonic discourse seduces us to believe in it, sometimes for a good reason.

Direct domination operates through palpable structures, the “juridical government”, as Gramsci puts it. Hegemony is the hidden structure that supports the current state of society. Gramsci describes the process of hegemony as “the ‘spontaneous’ consent given by the great masses of the population to the general direction imposed on social life by the dominant fundamental group“. He claims that the masses consent to the will of the dominant group because of its “prestige” and “function in the world of production.” (1992, p. 12–13)

Gramsci nudged the concept of hegemony somewhat away from the traditional Marxist class division theory and economic foundation, but as Stuart Hall notes (2013), Gramsci was still preoccupied with class questions although he recognised the always unstable position of hegemony and how the society could not be reduced purely to economic interests or classism.

Foucault, Laclau, and Mouffe, among others, break away from the Marxist class reductionism altogether. In their theories the “truth” became an irrelevant sideshow, a product of a hegemonic discourse. According to Hall, Foucault thought the effectiveness of power and knowledge was more pertinent than “the truth” itself. This is because the truth is filtered, orchestrated or outright produced by the hegemony. “All knowledge, once applied in the real world, has real effects and, in that sense at least, ‘becomes true’”, Hall writes (2013, p. 33–34). Hence neoliberalism, the current hegemonic discourse, is producing the truth through the political establishment, corporations, academic papers, media, entertainment, consumer goods and other things that fill our lives.

The hegemonic discourse does not have a monopoly over the truth but it has (temporarily) the most influence over it.

The countless options to replace the current hegemony exist within the field of discursivity. This surplus of meaning (e.g. Laclau & Mouffe 2014, p. 111) is present in every social practice. Because the antagonistic optionality always exists, no hegemonic discourse can ever achieve a full totality. The hegemony is never perfect or unbreakable, even if it is difficult to alter the current the *status quo*. This is what Laclau means when he says that the positivity can never be reached.

The surplus of meaning is excluded and considered the enemy (like the leftist or far-right movements for the neoliberal hegemony). Simmons explains that “the excluded negativity is akin to the incompatibility between two logics, which yet need each other in order to function (2011, p. 206).” In other words, it is a binary relationship. The neoliberal hegemony can only exist when it has an antagonistic counter-discourse, for example socialism. Discourses, like any elements of language, are defined in relation to their differential nature to other discourses. This does not necessarily have to mean harsh juxtapositions. Between market fundamentalism and pure socialism exists, for example, social market economy (Soziale Marktwirtschaft).¹ The competing counter-discourse can also be something that hasn’t been tried before or a newly evolved stage of the old hegemony, like Capitalism 4.0, as suggested by Kaletsky (2011).

3.4 How discourses are born and get broken

The field of discursivity is abound with floating signifiers, which are under a constant tug of war. A floating signifier can be a logic, an idea or just a word that can be utilised

¹ Social market economy is a popular catch phrase among modern day politicians but it does have actual content. Developed by Freiburg school of economics this economic system emphasis supportive structures to private enterprises while at the same time maintains a strong welfare state and a strong core of solidarity among people.

to prop up an ideology. It can be (temporarily) filled by different, sometimes even opposing social demands or, as Jos Simmons writes, “represent them symbolically” (2011, p. 206).

A neoliberal example of this would be how the centre-right National Coalition Party in Finland used traditional labour movement imagery and language to promote their candidate Sauli Niinistö in 2012 presidential election. The tactic was borrowed from Sweden, another welfare state. “The president of the proletariat” slogan intentionally tried to subvert the labour movement by using their own symbols against them and, by doing so, derail that symbolism into a contested battlefield – empty of permanent meaning.

Anything within in our social understanding can become a floating signifier because the abundance of competing discourses which are trying to undermine the hegemony. A prime example is how differently the concept of “democracy” is occupied within the hegemonic discourse in Russia and the Western countries.

Another example would be how so-called subprime mortgages were described before and after the financial crisis. A prescient New York Times article (30.9.1999) tells us how the government actually pressured Fannie Mae, the biggest underwriter of home mortgages in the U.S., and banks to extend loans to low-income citizens. At the time, the government saw subprime mortgages as a useful tool to increase home-ownership amongst the poor who had bad credit ratings and not enough savings to feasibly pay back.

After the bust, the government view changed, and suddenly “subprime” became a swearword that symbolizes the greediness and irresponsibility of Wall Street. Fannie Mae was eventually recapitalized and temporarily took over by the federal government in 2008 – by the very same government that originally encouraged the fiscally irresponsible behaviour.

An empty signifier is just a frame, which can easily take any meaning, as long as the claim is compelling enough. To the merit of the Times, the newspaper correctly warned that loose lending policy may lead to government bailouts during an economic downturn. The dot-com bubble at the turn of the millennium wasn’t enough to rattle the

whole banking system but the devastation of 2008 crisis was. Now the subprime mortgages are making a comeback again, and the talk of the reduction of required down payments has already started.

In my research material, I expect a crisis and its several events to rise as a floating signifier up for grabs. It is floating from one side to another, when different representatives try to attach their own meaning to the financial catastrophes of 2008 and the follow-up in Europe. Similarly in the articles covering Europe, the signifier “EU” will be a playing field for power games.

This competition for meaning is typical in our discursive world. Regardless, that doesn’t mean that any event, object, statement or person can mean *anything*. As Laclau and Mouffe point out (2014, p. 315), that would just lead to chaos: “a discourse incapable of generating any fixity of meaning is the discourse of the psychotic.” Partial and temporary discursive fixations are the foundation of societies. Usually there is just enough stability to stand on.

Because discourses are political and an exercise of power, antagonism is central to their formation and evolution. Social antagonisms “reveal an irreconcilable negativity into social relations”, Howarth and Stavrakakis claim (2000, p. 9–10). They mean that antagonisms bring forth points of conflict in societies. Thus the discourse gets contested. They introduce the Lacanian¹ term “lack” (*manque*) into the discourse theory by stating that “antagonisms disclose the *lack* at the heart of all social identity and objectivity.”

In other words, they claim that society can never be a complete society because this antagonism, the presence of an “Other”, which leaves the social construct always lacking and prevent it ever reaching a permanent fixation. This is the same phenomenon, which Laclau explains as the impossibility of a discourse ever reaching full positivity. This “identity crisis” occurs on both sides, neither the hegemonic discourse nor the counter-discourse can ever achieve their perfected form.

¹ Jacques Lacan, one of the influences of Laclau’s theories, was a controversial French psychoanalyst.

Because this kind of ideological perfection is impossible, the history will never be complete. At least, not as long as cognizant and curious life exists. Francis Fukuyama was famously ready to declare the end to history in his similarly titled book in 1992¹.

Fukuyama (mistakenly) thought or perhaps hoped that the fall of Berlin Wall and the collapse of Soviet Union meant the ultimate victory of Western liberal democracy and free markets. As the rapid rise of communist China, the rising popularity of extremist movements in Europe, Russia under increasingly dictatorial Vladimir Putin and the juxtaposition of Islam faith with secular and Christian beliefs show, history is far from over. History is consisted of discursive shifts and those will continue as long as the humanity has a desire to improve itself. Without even noticing it, we have invented a perpetual-motion machine.

As Laclau, rather gloomily, puts it: “What we have, ultimately, is a failed totality, the place of irretrievable fullness (2005, p. 70).” However, I find the descriptions of antagonism in the discourse theoretical context often too combative. Antagonism and the presence of an “Other” is precisely what allows us to form at least some kind of identity. Without antagonism we would lack identity altogether – after all, how could we build a sense of self without having nothing to compare it to. Being aware of the otherness in the world makes us aware of ourselves and serves as an opportunity to see our faults and strengths.

The same applies for whole societies. This can be observed, for example, in the U.S. presidential race of 2016, which in large part is electrified by the aftermath of the financial crisis.

When the Democratic presidential hopeful Bernie Sanders bellows about the dangerous avarice of Wall Street, he is doing two things from the perspective of discourse theory: He is becoming the representation of an Other and he is unifying people (or differentia-

¹ Three years earlier Fukuyama had released an essay on the same topic called *The End of History?* but the later expanded book version omitted the question mark and made it a bold statement.

ted entities floating in the field of discourse) behind a coherent counter-discourse. Donald Trump of the Republican side is doing the same thing, less coherently but more effectively. Both of them have a chance to lead a discursive *coup d'état* in the United States whereas Hillary Clinton of the Democratic Party would likely be a president of stability and continuance. Regardless who the winner is, the election has brought the discursive forces to the fore. The shifts in the discursive order are not necessarily decided on the ballot box but simply by which of the political messages have the most staying power and influence over the years. For example, Sanders' message has already gained so much resonance among the voters that Clinton has had to make her public statements more iconoclastic than before.

Because of antagonisms we make choices, both consciously and unconsciously, and that is how we build identities, for better or worse. We live within a hegemony but voluntarily. Every day we are offered alternative ways to think and act. A utopian realm of perfect hegemony is an impossibility because of our free wills and imagination. It is precisely because of antagonism that we can look at the economic catastrophes of recent years and the media coverage of them, see mistakes and improve our behaviour.

Aletta J. Norval also emphasises the complex relationship of “us” and the “Other”. Basing her argument on Derrida's¹ work on binary hierarchies, she states that “the outside infects the inside, and *vice versa*, making any simplistic dualism and either/or thought suspect” (2000, p. 224). She points out that the Other is simultaneously strange to us and at the heart of us. This is why politics (and discourse) cannot and should not be reduced to a simple antagonistic dichotomy. There is symbiosis and cooperation involved too. This is seen in a very concrete form in coalition governments or European Union, which is a quarrelsome and cumbersome club of different countries that are attempting to find and reach common goals.

¹ Jacques Derrida was a French philosopher.

Antonio Gramsci, who greatly contributed to the development of the modern concept of hegemony, acknowledged already in 1930s in his famous *Prison Notebooks*¹ that the hegemony is maintained by absorbing and domesticating groups that represent competing ideologies, even clearly antagonistic ones (1992, p. 58–59). He called this phenomenon transformism. This is what, according to him, happened in Italy during the mid-19th century.

Transformism is the likeliest outcome of the 2010s as well. So far it appears that capitalism is absorbing new ideas and challenging perspectives and somewhat changing its form. Gramsci views this as domestication, but it can also be seen as evolution. As Norval stated, the relationship between discourses is not simply antagonistic and it shouldn't be.

Modern capitalism is taking an increasingly hard line on speculative investment, tax inversion and risky banking. Radical shift in discourse is not yet observable, but it is very possible that the current system is capable of transforming itself into something responsible that will serve us well for the next few decades. Unfortunately, evolution is gradual and perhaps too slow for the angry masses clamouring for a radical change or a populist leader.

3.5 Made of Legos

Logics form the social and political *sedimentation* of our society from which discourses arise. Like Legos, logics are the interlocking building bricks that construct the social fabric of this world. From the late 1970s at least until the global financial crisis of 2008, neoliberalism has not only been the dominant way of economic thinking, but also the reigning discourse in the Western world.

¹ Antonio Gramsci was an Italian Marxist who wrote his seminal work while being imprisoned by the Fascist regime during 1929–1935.

For better or worse, neoliberal logics have interlocked with our education systems, parliaments, family structures and popular culture. They are bricks of ideas that are attached in everything we consume and are. From reality tv to the shrunken size of our families, the effects of neoliberalism are present in every aspect of our lives.

Coincidentally, during the rise of neoliberalism, cosy and familiar Danish plastic bricks have become more and more commercially apt. Consulting company Brand Finance named Lego the most powerful brand in 2015 in the world. The logics of free markets and globalism have seeped into our toy boxes too.

Logics can be divided into logics of equivalence and logics of difference, which are in a dialectic relationship. According to Laclau and Mouffe “the logic of equivalence is a logic of the simplification of political space, while the logic of difference is a logic of its expansion and increasing complexity” (2014, p. 363).

Logics of equivalence position themselves against opposing discourses or logics. This antagonistic juxtaposition, in which “an enemy” is essential for the formation of identity, is why Laclau and Mouffe call this logic a simplification. This is antagonism at its purest. For example, Western liberal democracy and Eastern communism were positioned against each other as discourses competing for the global hegemonic position during the Cold War. The logic of equivalence was at play here. The West (especially U.S.) drew a line between “us and the communists” and the East (USSR) acted vice versa. Thus a highly antagonistic discursive relationship was born.

Logics of difference, on the other hand, are differential elements which form a discourse through common cause and expand the discourse into new areas – just like neoliberalism has added elements into it and expanded from an economic theory into a life style. During the 1970s and 1980s, the floating signifier of democracy was largely occupied by neoliberalism. Democracy was tied into the idea of *laissez-faire* market capitalism, and became inseparable, at least in the concept of this Western hegemonic discourse. The Nordic welfare states, which were largely built by social democrats, eventually leaned towards neoliberalism as well, opened up their markets, and started to emphasize individualism over collectivism.

This is how a logic of difference operates – even social democracy, a left-leaning political movement, could be adapted into the neoliberal discourse, at least partially. In

China, (remodelled) capitalism is finding a more or less comfortable fit within the communist discourse. Although the idea of little state interference, which is important to neoliberalism, is still extremely foreign to Chinese.

The ideologies tied to the hegemonic discourse through a logic of difference may resist and eventually breakaway from a formerly convenient alliance or even takeover the original core of the discourse.

When logics form chains the discourse strengthens. Dahlberg describes chains of equivalence as an essential part of discourse theory, because they offer a gateway to change: “It involves linking together social and political demands to generate stronger “counter-hegemonies”, even while risking a dilution of platforms for the individual groups” (2011, p. 232). In essence the discourse gains allies through a logic of difference and enemies through logic of equivalence. The former expands the scope of the discourse while the latter sets political frontiers, which are important for identity construction and sense of belonging. A discourse can justify its existence through its enemies, which represent a dystopia (at least through propagandist lenses).

When different groups opposing the hegemonic discourse join forces through a logic of difference, they can together form a unified front, a chain of equivalence that is significant enough to challenge the current hegemony. Something of a chain was emerging with the way the Occupy Wall Street drew attention to the growing inequality and the corruption of financial markets.

The activist movement gained more traction when prominent economists, such as Joseph Stiglitz, Paul Krugman, and Thomas Piketty, formed credible arguments that supported the emotional reaction of the activists. Organizations ranging from Oxfam to OECD then published data that warns of the dangers of inequality, from both social and economic perspective. Even mainstream media has joined in to demand a change, albeit cautiously. The Occupy movement has also found its champion in Bernie Sanders, the presidential candidate, whose popularity has already forced the likelier candidate, Hillary Clinton, to take a harder line on Wall Street excesses. This chain of equivalence could, if expanded, eventually produce a credible option to the neoliberal hegemony or be absorbed into it.

Norval interprets (2000, p. 220) Antonio Gramsci's transformism¹ through Laclau and Mouffe and their idea of logics of equivalence and difference. According to her, both logics are needed to organise political space: "a transformist project consists of efforts to expand the systems of difference defining a dominant bloc." Norval writes that this sort of expansion lessens the "antagonistic potential" of the remaining excluded elements and broadens the hegemonic bloc. Thus, logics of equivalence and difference were very much at play even in Gramsci's theory, although he didn't use the terms.

Dominant use of logic of equivalence tends to lead to a dichotomisation of political space and strong social divisions. In societies where the logic of difference is more prominently in use, the dichotomisation is muddled and articulations are more complex, Norval argues (2000, p. 221). Using this logic, she raises some interesting questions, which are pertinent to this research as well. Do these different paths of logics lead to different kind of societies? Is the dichotomous logic of equivalence the preferred approach in authoritarian societies? Is the logic of difference more prominent in liberal and democratic societies?

To some extent, yes, it is more typical for Western societies to try and integrate competing discourses into its existing hegemony rather than to brand them as "the enemy". In fact, Mouffe makes a distinction between enemies and adversaries. Adversaries are integrated into the society and their rights are recognised:

"Adversaries will fight about the interpretation and the ranking of values, but their common allegiance to the values which constitute the liberal democratic form of life creates a bond of solidarity which expresses their belonging to a common 'we'." (Mouffe 1995, p. 107)

The well-known metaphor about U.S. as a melting pot is one example of this. The very nature of U.S. has been to take heterogeneous elements and melt them into a somewhat homogenous mixture varied in colour but unified in values. However, that goes only as far as the discourse stretches. Every society has their enemies and borders, both physical and metaphysical. And the logic of equivalence and the logic of difference both operate

¹ Domesticating different groups in society into the hegemonic system.

in every society, even if one of them is usually more dominant. For example, in U.S. the anti-immigration movement is on the rise and racial tensions have exploded in violent outbursts and protests in recent years. Next November, Americans may choose a president that supports special police patrols to monitor prominently Muslim neighbourhoods.¹

As Laclau and Mouffe explain, discourse never operates in simple black-and-white terms:

“- - the material character of discourse cannot be unified in the experience or consciousness of a founding subject; on the contrary, diverse subject positions appear dispersed within a discursive formation.” (2014, p. 303)

Neoliberalism emphasizes the logic of difference. It is partaking in the “hug your adversaries harmless” strategy, sometimes excluding only the extremists (both left and right) from its ideological framework. This works especially well in neoliberalism because its cornerstones are individualism, freedom, fragmentation and self-gratification. A multitude of subject positions are expected to be present in a neoliberal society. It’s all about the freedom to choose. In fact, neoliberal culture glorifies difference and individuality, as long as the said difference fits to the conventions within the hegemonic discourse.

Technology company Apple famously advertised their products with the slogan “Think different”. The whole basis of Apple’s success is the polished brand that ostensibly makes the firm’s customers stand from the crowd with their trendy gadgets, even if hundreds of millions people use identical gadgets. The limits of individuation and “standing out from the crowd” are there, even if they’re muddled by the logic of difference. The popular culture that is built with the logics of neoliberalism encourages to be yourself and “think different” but only within the conventional framework of neoliberalism.

¹ Both Ted Cruz and Donald Trump of the Republican Party have openly supported this.

3.6 That weird feeling of dislocation

Dislocation is the key to a shift in the hegemony. It brings forth the contingency of every society. When something in the social structure gets dislocated, suddenly, the field of discursivity emerges, and citizens become aware of the optionality of the current hegemony. Howarth and Stavrakakis describe dislocation as a disruption of an identity:

“This ‘decentring’ of the structure through social processes such as an extension of capitalist relations to new spheres of social life shatters already existing identities and literally induces an identity crisis for the subject.” (2000, p. 13)

Such an identity crisis could be caused by a more concrete crisis in the society such as an economic calamity, which forces people to re-evaluate their world views. Or, as described above, it could simply be triggered by a growing sense of unease caused by gradual changes in everyday life and pressures of constant competition.

Neoliberalism paired with globalisation has reshaped the idea of family, work, hobbies and consumption. In a short period of time, our lives have become increasingly connected through digital revolution. While our network of half-strangers expands, ties to our relatives loosen up. Because of consumerism and quickening lifestyles, we face daily an increasing amount of personal choices ranging from miniscule to life-altering. The pressure of shaping ourselves into extraordinary brands is building up while at the same time we try to fit into the conventional framework. We want to special, but not strange. These sort of small things can eventually lead to a rupture in the hegemony.

However, a sudden quake, like a financial crisis or a war, can be even more effective in dislocating the social structures. Mass unemployment, bankruptcies, poverty, protests, violence, and death shake societies and force them to constitute new identities. As Howarth and Stavrakakis explain (2000, p. 13), dislocation does not necessarily have to be a traumatic occurrence; it can also be productive and spur subjects to act and shape their lives anew (although we can never fully be unbound by discourses, even when trying to change them). By disrupting the hegemonic discourse, dislocations create a lack of meaning, which must be filled by something else.

The field of discursivity is always abound with options. It can never be completely hegemonized by a single discourse, which would mean forever eliminating antagonistic counter-discourses and the possibility of a dislocation (Howarth & Stavrakakis 2000, p.

15). This is why it is helpful to divide discourses into Laclau's categories: *myths* and *imaginaries*. Throughout this thesis I've used the terms hegemonic discourse and counter-discourse to explain the competing nature of the field of discursivity. Myths and imaginaries are almost the same thing and I often use the set of terms interchangeably, but their relationship differs a bit, at least in tone.

While Laclau's version of myth bears some resemblance to the theories of Lévi-Strauss¹ and Barthes², it has to be understood in the context of the discourse theory. As Howarth and Stavrakakis explain it: "Myths construct new spaces of representation that attempt to suture the dislocated space" (2000, p. 15). Myths offer a new objectivity to replace the old one in the case of a dislocation by rearticulating dislocated elements (Laclau 1990, 61). In other words, myths are established discourses that take advantage of the ruptures in the hegemony. If a myth is successful in stabilising a society and provides convincing enough answers to people's demands, it can, for the time being, be elevated into an imaginary – the hegemonic discourse.

For example, Laclau and Mouffe suggested (2014, p. 412) in their *Hegemony and Socialist Strategy* in the mid-1980s that the reigning neoliberal imaginary should be replaced by radical democracy, which for them meant the acknowledgement of "the plurality and indeterminacy of the social." It would have also been "radically libertarian and infinitely more ambitious in its objectives than that of the classic left." Essentially they were aiming for a left-wing libertarian utopia, which should not be confused with the aims of the U.S. Libertarian Party, which is clearly far more fiscally conservative and supportive of *laissez-faire* capitalism. Both forms of libertarianism are extremely liberal in values and would give people the freedom to be whatever they want in personal life.

¹ Claude Lévi-Strauss was a French anthropologist.

² Roland Barthes was a French philosopher with a significant influence on structuralism. He studied myths in modern context.

An actually occurred example is the fall of communism in Soviet states after the collapse of USSR. This happened in Romania, for instance. Norval explains that “the subversion of the Marxist–Leninist conception of economic democracy by neoliberal discourse is a case in point (2000, p. 226).” Similarly Kemalism in Turkey has been breaking down as an imaginary since the 80s (Çelik 2000, p. 193–204). The process of disintegration has been accelerating under the disruptive and authoritative rule of Recep Tayyip Erdoğan.

However, replacing an imaginary with another can take decades (or it can be done very quickly, for example, in a revolution) and there can be long periods of time when there even isn’t a clear imaginary. Instead the society is divided into factions of myths. The breakdown of neoliberalism may very well have started from the financial crisis, but since no clear competing discourse has emerged, the hegemony has not been subverted. It may take years and another crisis or two before new myths emerge to suture the dislocation.

Norval describes the ebb and flow of myths and imaginaries as a “process” (2000, p. 227). According to her, it would be too simplistic to make unconditional judgments about which discourse is hegemonic at which time and place because the borderline of a myth and an imaginary is so nebulous. She even argues that it may be possible that more than one imaginary exist at the same time: “An analysis of Thatcherism [essentially neoliberalism] as a social imaginary will not preclude analysing welfarism as an imaginary. (2000, p. 228)”

She states that society itself is such a loose concept that it would be artificial to define its limits. She also claims that since one discursive formation can be formed of several hegemonic nodal points, there can also be several operating imaginaries in a society. Which imaginaries a researcher ends up studying may very well be dependent on their perspective. Some imaginary may have a more dominant role in the society as far as political power goes, but other imaginaries may operate in other sectors of the society.

For example, my point of view in this thesis is admittedly saturated by politics and economics. If my study would be concentrated on personal lives of people (e.g. through research of lifestyle magazines), neoliberalism might not have such a dominant role in this thesis. A religious perspective would be especially fascinating, considering that the

most powerful religious leader in the world, Pope Francis, is openly opposing the neoliberal phenomena, such as consumerism, inequality, market-determinism, and selfishness. That being said, I do believe that neoliberalism is *the* hegemonic discourse that has had the largest effects on Western societies since the 1970s. I am making my case of that in Chapter 4.

Regardless, pluralism is a natural element of democratic societies. Yet, even in democracies certain imaginaries tend to rule and alternative forms of thinking are marginalised. As Çelik puts it “democracy will ensue only when this instability and ambivalence is accepted and institutionalised, and not represented as an evil that has to be eliminated (2000, p. 203).” He is talking about an emerging democracy, Turkey, but the same could apply to well-established democracies as well.

Although true pluralism is often lacking even in democracies, I’m still inclined to agree with Norval. Several simultaneous imaginaries are possible. For example, the ideology of the welfare state is still very much alive in the Nordic countries and part of the Nordic identity, although neoliberalism has penetrated many layers of the society and to some extent (especially in economic questions) absorbed welfarism into neoliberal hegemony using the logic of difference. Regardless, I would argue that neoliberalism has been and still continues to be the single most important imaginary of the last four decades. Its power has been greatly expanded by the force of globalisation¹, which has accelerated rapidly during the same period as the neoliberalism emerged.

3.7 Criticism and evaluation of discourse theory

One big point of criticism that is especially targeted towards Laclau’s and Mouffe’s post-Marxist theory is that it is simply old-fashioned in the digitalized, multi-cultural

¹ Globalization is the birth of a mostly unified planetary economy, where money, goods, services, and communication travel quickly and with ease over the national borders. In a globalized world, businesses can shop around for the cheapest workers, infrastructure, and other expenses.

and pluralistic society. Some might argue, that this is especially true when it comes to media representations – after all, any one of us can build our own digital utopia that sieves out opinions that don't please us or fit into our narrow frame of mind. Social media and even traditional news sites offer us an increasing selection of filters, which help us to make sure we are exposed only to thoughts we like.

Has hegemony any place in the pluralized post-modern world? After all, *Hegemony and Socialist Strategy* by Laclau and Mouffe, one of the main sources for this thesis, was first released in 1985, during the reigns of Thatcher in Britain and Reagan in the United States – the effective parents of neoliberalism. As Bratich points out (2011, p. 169), much has surely changed since then, especially in the field of journalism.

It is true that social media and countless alternative media sites have made the public sphere extremely fragmented. In certain countries like the United States, even mainstream media has become increasingly politicized and has started to cater to the part of population that upholds certain political beliefs (e.g. Fox News for conservative Republicans and MSNBC for progressive Democrats).

The prevalence of pick-and-choose culture has led to *post-* or *counter-hegemonic theories*, which embrace the multiplicity of modern democracy and focus on individual issues, not institutional party-based politics. However, as Natalie Fenton sagaciously points out in her essay about new social movements: "Multiplicity and autonomy alone offer no way of fathoming the means to transcend and replace dominant hegemonic discourses (2011, p. 197)." We can curl up in our own bubbles, but it will not change the dominant current within a society.

The internet enhances publicity of alternatives and opens a gateway to the field of discursivity (the abundance of challengers to the hegemonic discourse). However, if this contingency isn't utilized and, instead, people are satisfied to live within their own ideological bubbles, there will never be a structured and sustainable option to the reigning order of discourse.

The Arab Spring in 2011 was lauded as the Internet revolution and the breakthrough of social media. There was even serious speculation about Facebook or Twitter, profit-chasing private companies, winning the coveted Nobel Peace Prize (e.g. The Telegraph 7.10.2011). Yet a few years later, majority of the participating Arab states have fallen

into chaos: dictators have been replaced with new ones (Egypt), a country is being torn apart by competing governments (Libya) or the civil war is still raging on killing and exiling people (Syria). Only Tunisia has so far succeeded to stabilize and improve their regime. But even that country lives under constant threat of terrorism and has lately been thrown into economic turmoil because of a growing influx of refugees and the collapse in oil prices (FT 16.4.2016).

While the Arab Spring has no direct link to my research topic, it serves as a distressing example of how difficult breaking a hegemony and replacing it with a new one can be. In many Arab Spring participant countries the hegemony was only briefly disturbed and then the oppressing tyranny was allowed to continue, either with the old leaders or with new faces. In some cases, secular oppression was replaced by religious one or the other way around. In worse cases, such as Libya, the order of discourse was shattered and all that was left was an empty “floating signifier” and a bunch of competitors to vie for the right to fill it with their own agenda and meaning. When political disagreements are sorted out with Kalashnikovs, we see that it is important to have some sort of hegemonic discourse that unites people. The repercussions of the events are still continuing at the time of writing in 2016.

Similarly, in the cases of the financial crises of 2007–2009 and the following sovereign debt crisis in Europe, the hegemony of neoliberalism got exposed for its faults and challenged from different directions. One of the most visible challenges was the Occupy Wall Street movement in the fall 2011, which was partially inspired by the internet revolution in the Arab states and the protest movement in economically struggling Spain. While the general message of the movement was against inequality (“We are the 99 %”), the movement was disjointed and never achieved the cohesiveness necessary to seriously challenge the neoliberal discourse. Unhappiness over the current state of affairs is simply not enough to break the hegemony. If it was, neoliberalism would not have been the hegemonic discourse for four decades already.

Defenestrating the reigning discourse or even significantly altering it, is incredibly tough because our very frames of mind are built on it – neoliberalism has seeped into the sedimentation of contemporary Western societies. As the Occupy movement proved, we can be so utterly *within* the dominant order of discourse that we cannot even articulate clearly what it is, specifically, that irks us about the current situation.

A few years after the Occupy camps had been dispersed, French economist Thomas Piketty managed to crystallize the movement's woes quite elegantly in his unexpected best-seller *Capital in the Twenty-First Century* (2014) that elaborated with robust statistics the danger of growing inequality and accumulation of capital in the hands of a small minority. One well-versed economist did, at least ostensibly, more to shift the discourse than all the social media sparked demonstrators put together. That being said, it must be emphasized that Piketty's words would have never held such power if his book would not have resonated so strongly with the unhappy public *and* if the mainstream media from left to right would not have hoisted him up so bombastically calling him the "rock star economist" (e.g. FT 25.4.2014). The Occupy movement and Piketty are potentially parts of a chain of equivalence, in which different logics come together to empower the possible counter-hegemony.

The discourse had already started to metamorphose, even in the mainstream media, and all it needed was a push. Still, it will take several Pikettys before the discourse transformation will actually stick. As said before, the hegemony is a resilient thing that has a way of returning back to *status quo* if the alternative forces won't keep offering compelling options and undermining the reigning frame of thought. Without viable options, the good old ways are always the most enticing. As Fenton says: "We would be wise to remember that the wider social contexts in which networks are formed and exist have a political architecture that predates the internet (2011, p. 197)."

The other significant point of criticism towards discourse analysis is its alleged fixation with language. Yet, it is hasty to conclude that discourse analysis reduces everything to linguistics. At the very least, it must be understood that in the view of discourse theory, it is impossible to face the world without the linguistic glasses on. That doesn't mean that the physical world doesn't exist.

Lincoln Dahlberg points out in his essay *Discourse Theory as Critical Media Politics?* that discourse does not constitute everything in existence (2011, p. 50–54). Nothing in our linguistic world cannot exist in a discursive vacuum, because the moment we become aware of something it is instantly being framed by our preconceptions, by the discursive order we live within. However, as Dahlberg illuminates, a football is not only a socially constructed object. "For instance, what we call a 'tree' or 'pond' cannot be a 'football'". What he is trying to say, that in addition to socially constructed rules and a

discursive frame, objects do have their material existence that cannot be ignored. The weight, size and shape of a football have an effect on its being. This is a deceptively obvious observation.

What Dahlberg, referencing Laclau, calls “mere materiality” or “thingness” matters when we give things their meanings and uses. Things have their inherent form that exists independently outside our discursive way of observing and categorizing the world. At the same time this materiality exists in a dialectical relation with discourses. Dahlberg emphasizes that extra-discursive (mere materiality) affects discourse substantially and vice versa.

I find the reciprocity of this relationship important, although Dahlberg does not give it much attention. That is, while a football’s shape and its other material attributes have affected the social construct of football as a game, we must remember that the ball itself is a human construction built within a certain discursive frame. Most things in this world, even climate, are affected by social acts by the humanity. We interpret our surroundings and even ourselves through discursive lenses. As Jack Zeljko Bratich puts it in his essay *Post-Marx beyond Post Marx: Autonomism and Discourse Theory* (2011, p. 156): “the very model of understanding relations and elements is already drawn from language-as-signifying practice.”

The relationship of material and discursive is important to my research, as well. While the financial sector is increasingly shifting towards immaterial, contractual and securitized form of being where value depends on trust, it is inseparably tied to the material world, which affect its culture and discursive order. Internet cables, data centers, apartments, suits and ties, luxury items, commodities, drugs, workforce – they all exist both discursively and materially. At the same time, media itself has material dimension, which surfaces, for example, as limitations to expression caused by the format of the printed newspaper, but also in the way internet sites still to some extent imitate printed pages.

Laclau and his discourse theory are sometimes accused of being too focused on language and epistemology, theory of knowledge. However, Laclau's philosophical approach is more accurately described by a Heideggerian¹ term *social ontology* (Dahlgren, 2011, p. 243). Language and materiality are inseparably fixed together, as for us social beings everything exists in a social context. In fact, Laclau and Mouffe plainly state in their key work *Hegemony and Socialist Strategy* that they reject the distinction between discursive and non-discursive practices. In their opinion, this view separates their discourse theory from Michel Foucault's.

“— any distinction between what are usually called the linguistic and behavioural aspects of a social practice, is either an incorrect distinction or ought to find its place as a differentiation within the social production of meaning, which is structured under the form of discursive totalities. Foucault, for example, who has maintained a distinction — in our opinion inconsistent — between discursive and non-discursive practices, attempts to determine the relational totality that founds the regularity of the dispersions of a discursive formation (2014, p. 297–298)”

Having not exhaustively familiarised myself with Foucault's work, I cannot say for certain how inconsistent his stance truly is throughout his oeuvre. At least in *Archaeology of Knowledge* and *Power/Knowledge* Foucault argues, very much in line with Laclau and Mouffe, that nothing can have any meaning outside of discourse and that the meaning itself emerges from power struggles. Foucault also challenges the view that limits discourse to linguistics. According to him, classifying discourse types in categories such as history, fiction, philosophy, religion or any other institutionalised category, is a discursive action in *itself* (2002, p. 24–25). Thus analysing the act of categorising — social behaviour — might yield more interesting results than just listing things according to genre or grammar rules.

What somewhat separates Laclau and Mouffe from Foucault might be their different view on historicity. At least by Hall's interpretation (2013, p. 31–32), Foucault believed that in each historic period, discourse produced radically different “forms of knowledge,

¹ German philosopher Martin Heidegger made a distinction between ontic and ontological existence, the former is the concrete, actual form of being, while the latter is the experience of existence or a theory of what being inherently is. Ontology is also the realm of possibility what existence *could* be. Laclau divides politics/political in a similar manner basing the distinction on Heidegger's (Dahlgren & Phelan, 2011, p. 14).

objects, subjects and practices of knowledge.” These periods had no necessary continuity between them. Different periods produced, for example, wildly different concepts of mental illness, sexuality and crime. The idea of mental illness is wholly absent in some cultures and historic periods. The symptoms, in some cases, certainly exist, but they are not always treated as part of an illness. They may even be considered gifts. The interpretation is completely born out of discursive practices.

Laclau and Mouffe would not argue against the discursive nature of knowledge, but they would likely argue against the lack of continuation between the discursive practices. While there can be radical and sudden shifts in discourse, especially through a crisis, new societies are built on previous knowledge (which, again, is produced through discourses). Antagonistic counter-discourses are formed in relation to the hegemonic ones. Thus there is always a relationship with historic, abandoned discourses and the current hegemonic ones.

Perhaps due to the chaotic nature of the Foucauldian discourse, the position of subject is rather weak in his writings. Hall points out (2013, p. 39) that in some of Foucault’s work, the subject gained a more central role and certain sense of awareness, but he or she never had much power to influence the discursive environment.

The basic logic, according to Hall, was that because the subject is produced within discourse, they cannot be outside it. This is again, where Laclau and Mouffe’s theory works better than Foucault’s. The resistance of hegemony through antagonistic forces or changes from within by “allied discourses” are essential to their theory. This change requires the subjects to be aware of the contingency – the myriad possibilities of doing things differently. Still, becoming aware of the hegemonic discourse and actually breaking it, is rare and extremely difficult. It may also require certain specific historic conditions. Not even Laclau and Mouffe believe in all-powerful subject. They note, using feminism as an example:

“If throughout the centuries there have been multiple forms of resistance by women against male domination, it is only under certain conditions and specific forms that a feminist movement which demands equality (equality before the law in the first place, and subsequently in other areas) has been able to emerge.” (2014, p. 14)

Although they have philosophical differences, Foucault, Laclau, and Mouffe have much in common. The most essential part being how their theories are all saturated by power.

As Foucault excitingly puts it in *Power/Knowledge* (1980, p. 114): “The history which bears and determines us has the form of a war rather than that of a language: relations of power, not relations of meaning.”

This is why I’ve chosen to approach media representations through discourse theory instead of traditional text analysis. Text analysis can be methodical, easy-to-follow and transparent, but ultimately poor in revealing the essence of the contemporary society and outright lousy in starting a conversation. The power relations that construct discourses are, for me, the most worthwhile study subject. There is violence in discourses, whether they are at play in Arab Spring or on Wall Street. These discursive power struggles are the basis of politics.

For Foucault, power struggles penetrate even the most mundane actions in our workplaces and families. In *Discipline and Punish*, he describes these devious, small acts of power as “the minute disciplines, the panopticism¹ of every day - - well below the level of emergence of the great apparatuses and the great political struggles” (1995, p. 223). Similarly, for Laclau and Mouffe every social action, no matter how mundane, is political and permeated in discourse.

The material part is what often escapes discourse theory, but its affect should not be ignored in research (Dahlberg, 2011, p. 53). The 2008 financial crisis was a prime example how the financial sector is not an isolated, but deeply connected to the real economy in both social and material ways. Similarly the damage caused by the crisis to societies and individual beings was both psychological and physical.

The discourse theory I am utilizing does not reduce the existence to mere ideas, but recognizes that extra-discursive materiality and socially constructed discourses co-exist and influence each other. As Dahlberg reminds us, even the media itself is to some extent limited and defined by materiality of communication technologies (2011, p. 53).

¹ Panopticism (Foucault 1995, p. 195–230) is a reference to an institution called panopticon, designed by social scientist Jeremy Bentham. In a panoptic environment “an inmate” is potentially under constant surveillance without being able to tell whether she is being watched. The possibility of surveillance is enough to make power relations on the psychological level constantly present. The panopticon model was used in real prisons.

In my thesis these limitations are even stricter, due to my choice of research material. By concentrating only on print media I need to take in account how does the form of a magazine or a newspaper restrict and guide journalistic expression. Does the form affect the discursive pallet available? The printed form certainly blocks audio and video representations (excluding digital editions) and delegates the discursive powers usually to an individual journalist who is likely influenced by the reigning discursive order and may even be pressured by her employers into adapting a certain tone. Interviewees have limited opportunities to affect the message that is conveyed by a journalistic article.

An article is very much a solitary point of view, which nonetheless reflects in its part the hegemonic state of the society at that particular moment in time. By researching a multiple of articles by different writers and perhaps even different newspapers from different countries, the picture of the hegemonic state becomes clearer. However, it must be remembered that the researcher herself is under the influence of the hegemonic order of discourses. Nobody can completely escape from the dominance of discourse.

Howarth and Stavrakakis emphasise how important it is for a discourse theorist to keep an open mind:

“— — instead of applying a pre-existing theory on to a set of empirical objects, discourse theorists seek to *articulate* their concepts each particular enactment of concrete research. The condition for this conception of conducting research is that the concepts and logics of the theoretical framework must be sufficiently ‘open’ and flexible enough to be adapted, deformed and transformed in the process of application. (2000, p. 5)

In part, I rely on the academic work done by others when it comes to describing the discourse of neoliberalism and I apply these definitions to my research. Some could accuse this thesis of having a too rigid hypothesis for a discourse theoretical study. However, I wanted to use this theoretical framework precisely because it leaves so much room for discovery and allows the research material to speak for itself. Of course, I utilize widely academic and journalistic research done on the crisis years and neoliberalism, and that may slant the tone of the research to some extent. The aim of this thesis is to study how economic shifts and crises can alter the reigning order of discourse, and the sources support that aim by providing more context.

4 EXPLAINING NEOLIBERALISM – THE KING IS DEAD, LONG LIVE THE KING!

Many researchers, especially the ones leaning right-wing, tend to avoid the term “neoliberalism” these days because it is often used in a derogatory manner to describe free market capitalism by left-wing thinkers and activists. At the same time, no other widely accepted and all-encompassing term exists to describe the social and economic change that a significant part of the world has gone through since the 1970s.

Terms like “free market capitalism”, “market fundamentalism”, “*laissez-fair* model”, or “neoclassical thought” seem too attached to economic models. For example, economist and journalist Martin Wolf avoids the term “neoliberalism” in his book *The Shifts and the Shocks*, which details causes and consequences of economic crises. Instead he simply speaks of financial liberalization. Yet, when he describes the shift, its scope clearly extends far beyond financial markets:

This movement was one of the dominant – arguably, the dominant – social, economic, political and philosophical shift of the past four decades. Though challenged by the post-2007 crisis, it has not reversed. (2014, p. 129)

Neoliberalism is a more fitting term to describe a whole frame of thinking – a discourse. It is an umbrella word that can cover social and cultural phenomena, as well as economic. It is also the term used by many of my sources (such as Harvey, Laclau, Phelan, Dahlberg, and Fairclough), although to be fair, the researchers using the term tend to indeed lean left. Still, for lack of a better term, I’ll stick with neoliberalism. I emphasize that it isn’t meant to be derogatory, but simply a word to describe a discourse shift in contemporary society.

One could certainly make an argument that there are already several other significant discourses that are heard loud and clear in our society. After all, especially in European societies, we have a whole rainbow of parties from far-right nationalists to progressive greens.

However, neoliberalism dominates precisely because it does not make a scene. It is a subtle discourse that influences most of the large political parties regardless whether they are leaning left or right. Discourses cannot be reduced to political movements, they

are embedded in our culture, economy, politics, habits and consumption. David Harvey claims that neoliberalism has infiltrated all aspects of society ranging from universities, media, financial institutions and corporations to politics, central banks and global organizations such as the International Monetary Fund, the World Bank, and the World Trade Organization. “Neoliberalism has, in short, become hegemonic as a mode of discourse”, he writes (2007, p. 3).

While I do not buy all Harvey’s arguments and do not consider neoliberalism purely as a malicious force, I accept his statement that neoliberalism is the hegemonic discourse of our time and that the media has had a role in building this hegemony.

In this chapter, I will explain how neoliberalism has seeped into our society, how it was born and how it became the hegemonic discourse of our time.

While the protagonists of neoliberal society have all died, the following leaders and thinkers gave authority to this discourse and helped to establish its hegemony. The spirit of Margaret Thatcher, Ronald Reagan, Deng Xiaoping and Milton Friedman live on in our supermarkets, newspapers, parliaments, courthouses and schools. It remains to be seen, how effectively the financial crisis exorcised these ghosts.

4.1 New kind of freedom

According to David Harvey, neoliberalism is a political and economic theory “that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property rights, free markets, and free trade” (2005, p. 2). The role of state in this equation is to offer a stable institutional framework for the market to operate and otherwise stay in the background as much as possible. This is what many economists prefer to just call financial or economic liberalization.

As Harvey points out, the process of neoliberal takeover is not just limited to the U.S. and the UK, but it’s also spread to (often aid receiving) countries in Africa and South America or even to welfare states like New Zealand and Sweden (2005, p. 3). However,

neoliberalism is more than just an economic theory, it is a lifestyle and a philosophy – a hegemonic discourse that is pervasive in our everyday lives.

Using the term “creative destruction”, popularized by Joseph Schumpeter¹, an economist, Harvey describes the effects of neoliberalism as follows:

“The process of neoliberalization has, however, entailed much ‘creative destruction’, not only of prior institutional frameworks and powers (even challenging traditional forms of state sovereignty) but also of divisions of labour, social relations, welfare provisions, technological mixes, ways of life and thought, reproductive activities, attachments to the land and habits of the heart.” (2005, p. 3)

Similarly, but in a somewhat more optimistic manner, Wolf points out (2014, p. 130) that this shift wasn’t just a battle of Keynesians and Chicago school² economists. It was a reflection of “the rise of individualism and belief in autonomous and self-reliant person over collectivism and social solidarity.”

The keystone of my thesis is that neoliberalism is the hegemonic discourse of our time. It rules discreetly in most developed countries, but neoliberal influences are seen pretty much in every place that is at least somewhat connected to the world economy.

What came before neoliberalism? Some mix of capitalism and democracy has ruled Western societies since the early 19th century. Both democracy and capitalism have proven to be highly malleable and adaptive systems. Because of that adaptiveness, they work fairly well together and have survived through discourse changes for two centuries now. It is indeed quite likely that whatever follows the current hegemony, the discursive order will still be based on capitalism and democratic political process.

Anatole Kaletsky divides different phases in capitalism among the very same lines that I divide shifts in hegemonic discourses.

¹ Joseph Schumpeter was an Austrian-American economist who argued that creative destruction of old-fashioned businesses and other structures of society is needed. Creative destruction is a natural part of business cycle and it forces companies and other organizations to innovate or die. The term itself was coined by Karl Marx.

² Chicago school of economics is one of the founding schools of thought behind neoliberal ideology and neoclassical economics. It is largely built around the belief in monetarism and free markets. The key figure is Milton Friedman.

“Once we recognize that capitalism is not a static set of institutions, but an evolutionary system that reinvents and reinvigorates itself through crises, we can see the events of 2007–2009 in another light: as the catalyst for the fourth systemic transformation of capitalism, comparable to the transformations triggered by the crises of the 1970s, the crises of the 1930s, and the Napoleonic Wars of 1803–15.” (2011, p. 3)

According to Kaletsky, the first wave of modern capitalism started with the political revolutions in the United States (1775–1783) and France (1789–1799) and the first industrial revolution that kick-started in England and spread elsewhere in the Western economies (from 1760 to early 19th century). A series of events have defined the latest discursive shifts are: the defeat of Napoleon by the British, the First World War, the Russian Revolution, the Great Depression, the abolishment of the Bretton Wood System¹, oil shocks of the 70s, the birth of Reagan–Thatcher duo, and the global financial crisis.

There isn’t a single catch-all term that would aptly describe the era between 1930s and the late 1970s (interrupted by the Second World War). If such a term were to be demanded, I would call this time *Keynesian social democracy*. It was an era, which was defined by the increasing government involvement, rapid economic growth, fairly equal distribution of wealth, rise of the middle class and a growing focus on social justice issues such as race and gender. Social improvement was something that was thought to come from the government and the markets were tightly regulated. Some political scientists who are concentrated on U.S. politics also call these decades a New Deal era after Franklin Delano Roosevelt’s recovery program², which essentially began the expansion of the role of the government in both politics and economy after the Great Depression.

Social democracy is a very European term, which is still relevant especially in Germany and Nordic countries. But while the term has not caught on in Britain and the United

¹ In 1971, due to financial troubles Richard Nixon unilaterally decided to end the convertibility of U.S. dollar to gold. The whole global monetary system had relied on that convertibility. This was the final burial of the gold standard. Money became an abstract concept based on trust in governments and central banks.

² New Deal was a series of federal government programs in the United States 1933–1938 that aimed support and resuscitate the collapsing economy and offer relief to citizens. New Deal politics has later become a term that is used to describe expansive government policies in the U.S.

States, that doesn't mean they didn't go through policies that were very much social democracy in practice, if not in movement. 1950s and 1960s were the times when Western countries were busily building up their welfare states and the government expenditures were rising. The idea of more government involvement had already born in the 1930s during the Great Depression, which was arguably even larger financial meltdown than the one we experienced in 2008. What made these five decades after the depression particularly Keynesian was the economic policy, which was strongly influenced by John Maynard Keynes, who died soon after the war in 1946 at fairly young age of 62 and was not alive to nurture his legacy¹.

Keynes was a British economist who promoted countercyclical fiscal policy (stimulus during a downturn, austerity during booms) and believed that aggregate demand is the driving force in an economy. His school of thinking fell out of fashion after the great inflation and simultaneous unemployment of the 1970s, especially in the U.S., disillusioned people (Kaletsky, 31.3.2016). The abandonment of the gold standard and oil shocks of the 1970s had raised prices of most goods and threatened many countries with jobs-destroying recession. This is how Alan Greenspan, the former chairman of the Federal Reserve, described the shift from economics perspective in his 1996 speech:

“The stagflation² of the 1970s required a thorough conceptual overhaul of economic thinking and policymaking. Monetarism, and new insights into the effects of anticipatory expectations on economic activity and price setting, competed strongly against the traditional Keynesianism. Gradually the power of state intervention to achieve particular economic outcomes came to be seen as much more limited. A consensus gradually emerged in the late 1970s that inflation destroyed jobs, or at least could not create them.”

Neo-Keynesians of our time, such as economist Paul Krugman, have, at least partially, managed to resuscitate Keynes' theories after the financial crisis, which may herald a

¹ In *Free to Choose* (1980), Friedman says that Keynes was a brilliant economist who would not have wanted to have his policies distorted. Friedman claims that Keynes intended his economic stimulus to be used after a huge crisis such as the WW2 and that the government were misusing Keynes' methods and were addicted to spending.

² Stagflation is a macroeconomic condition during which both unemployment and inflation are high. Before the 1970s this sort of situation was generally considered an anomaly in modern societies.

shift to the past. Too much inflation is currently a distant problem in Western societies. On the contrary, persistent disinflation and even deflation is a serious threat.

Some argue that totally free markets have not even been tried yet – at least not in a modern, globalized world. Perhaps the solution could be even more economic freedom?

There are definitely forces that demand that especially in the world largest economy, the United States. Kaletsky, an ardent defender of capitalism, believes this “last fling with market fundamentalism” could be a fatal mistake that might even lead to a breakdown of the democratic system (2011, p. 354). He argues that completely regulation-free markets have only existed in broken states and in fictional universes such as dystopian film series *Mad Max*. Instead of steering the wheel even more sharply to the right, he would prefer a flexible combination of government involvement and independent actions by businesses.

Either way, even new discourses are built upon the past. Neoliberalism owes much to 18th century philosopher Adam Smith. It is not uncommon that the discursive shifts find influences from the history. New discourses are built upon the shoulders of the failed ones.

One of the reasons why I have chosen to study the discursive effects of financial crises is precisely because the Great Depression, which started with a stock market crash in 1929, was a tipping point that shifted the discourse in the 1930s. There is strong historical evidence that discursive shifts happen during economic upheavals. Similarly the great inflation and oil shocks of the 1970s offered neoliberalism an opening to become the hegemonic discourse. Neoliberalism has reigned at least four decades now, and the hegemony is starting to look increasingly weary. If the 2007–2009 financial crisis was not enough to force the change, the next economic disaster may very well be.

4.2 Friedman deified economic freedom

Economist Milton Friedman is one of the unofficial founding fathers of neoliberalism, although he didn't use the term. Friedman identified himself as a libertarian¹ and voted Republican. He elevated economic freedom above all other values. He was not only an influential academic but also wielded political power. Friedman served in President Ronald Reagan's Economic Policy Advisory Board and also occasionally advised conservative British Prime Minister Margaret Thatcher. Because he is such a seminal figure, I will delve into his thinking in this chapter.

Friedman realized early on the power of media in spreading thoughts and making them acceptable. His academic oeuvre is actually rather slim, albeit influential. In fact, he was first and foremost a media economist. He wrote weekly columns for Newsweek magazine starting in 1966 when his thoughts were still considered as quite extreme. He stopped as a regular columnist in 1984 when he had become the leading intellectual of his time. He continued to publish his thoughts every now and then in several media publications such as the Wall Street Journal.

Curiously enough, the great economist who defined the first half of the 20th century, John Maynard Keynes, was also extremely media-savvy. He did journalistic work and was even the editor of the Economic Journal during 1911–1944. This might be an indication of how important media is when it comes to shifting discourses.

Friedman acknowledged his breakthrough in a memoir book (1999), which he wrote with his economist wife Rose Friedman: he used to be categorised as derided minority but over the years he managed to become part of the mainstream thought. In other words, there had been a discursive *coup d'état*. Neoliberalism had triumphed, in some part thanks to Friedman and his fellow academics of Chicago school of economics.

¹ Maximised individual freedom, minimised state control, strong private property rights. Nowadays usually associated with demands to return to gold standard and dismantling central banks. Friedman was not a supporter of a gold-based system, but he would have reformed the Federal Reserve to be more automated and less influenced by biased politicians.

While he was not involved in discourse theory, he very skilfully utilized the channels of publicity to gradually form a counter-discourse to the expanding and paternalistic government. His wide involvement in the upper echelons of the American society is a great example how discursive shifts can be created and what it takes. I'm not claiming that Friedman alone is responsible for the current neoliberal hegemony, but he was a conscious actor who knowingly aimed to change the way people think and the society operates. He is also an example of how discursive shifts must gain traction in different parts of society. Friedman used his powers of influence in academia, think tanks, media and politics.

It is important to note that while Friedman was pro-market, he adamantly denied being pro-business. In fact, he opposed and feared corporate power. For him each individual should be the champion of his own life. His logic was that larger the government was the more power it would wield – and that power could easily be corrupted. Large government would be an incentive to build humongous private conglomerates that would influence politicians through campaign funding and lobbying. He thought that the bigger the government would get, the bigger the corporations would grow in turn. In a free market society competition would keep the companies from growing too large and prevent monopolies or large lobbying organisations from forming.

His media-savvy approach included television. He elaborated his views in a ten-part PBS tv-series *Free to Choose*.

“One of the reasons I am in favour of less government is because when you have more government, industrialists take it over. And the two together form a coalition against the ordinary worker and ordinary consumer.” (Free to Choose, 1980, episode 1)

The series was broadcast in 1980 when Jimmy Carter was still the president and the Republican reformer Reagan was biding his time. Friedman's views were already gaining a lot of attention. Even Carter's democratic administration had endorsed deregulation in various areas. Friedman had also won Nobel Memorial Prize for economics in 1976, which essentially made him a mainstream economist of worth. He had power, and he knew how to use it. He also enjoyed a good debate. He used half of the broadcasting time of his program to discuss about economics with other prominent intellectuals. He wanted his challengers to try and poke holes in his ideology. Friedman was confident that he would come out of these debates as the winner.

According to Friedman, free, completely unregulated markets are the only way to guarantee freedom for individuals. While he ostensibly supported equal opportunity, he was against the equality of results. In other words, he wanted all people to have a similar chance at success but the fruits of that success should not have to be shared involuntarily. He was in favour of negative income tax¹ but against welfare programs. At the same time though, he likened inherited financial assets to talents, such as musicality.

“Life is unfair. - - There’s nothing fair of a one man being born of a wealthy parent and another one of an impecunious parent. - - In the same way, it is unfair that Muhammad Ali is a great fighter and able to earn millions. But wouldn’t it be even more unfair to the people who like to watch him, if you said that, in the pursuit of some abstract ideal of equality, we are not going to let Muhammad Ali to get more for one night’s fight than the lowest man on the totem pole can get for a day’s unskilled work on the docks? ” (Freedom to Choose 1980, episode 5)

The problem with his logic was that the rich don’t just earn slightly more than the poorest. Even Friedman’s Muhammad Ali reference was a gross understatement. Back in the 1970s, the greatest boxers could earn up to few million dollars per fight while, with luck, persistence, and a fair employer, a dockworker might earn altogether a million dollars *in their lifetime*. Nowadays the gap has widened.

Friedman also implied that the super-rich are a narrow group of exceptionally talented individuals. Hacker and Pierson point out in their book *Winner-Take-All Politics* (2011, p. 46) that actors, writers, athletes, entertainers and singers made about three percent of the richest 0.1 percent of U.S. taxpayers in 2009. Executives, managers and supervisors (non-finance) made about 41 percent of this exclusive group, financial professions 18 percent and lawyers 6 percent. Riches mostly flow in the pockets of those who play with other people’s money for profession.

Naturally, Friedman was against inheritance taxes. The equal opportunity for him, was really not that equal.

¹ Negative income tax is a form of guaranteed minimum income. Under such a progressive tax system, if citizen’s income fell below a set limit, she would not have to pay taxes, but would instead receive a tax rebate from the government. Once her income would rise above the set limit, she would start paying taxes again. Negative income tax was not Friedman’s own idea (this is a widely spread misconception). It was likely first proposed by liberal British politician Juliet Rhys-Williams in 1944. (Forget, 2011 p.1)

The Economist magazine called Friedman “a giant among economists” in his obituary and considered him “the most influential economist of the second half of the 20th century (Keynes died in 1946), possibly of all of it” (23.11.2006). An important notion to keep in mind, considering that The Economist magazine is a major focus of this research paper. The magazine’s reverential treatment of Friedman is an indicator of attachment to neoliberal values. Those values were certainly still alive before the financial crisis in 2006 when Friedman died at age 94.

Friedman believed that welfare system is corrupting the very fabric of our society. According to his logic, poorly planned welfare programs were not encouraging people to work and succeed, but instead created a trap that stripped all incentives from people to become productive members of society.

“We are inducing them to become dependent, to become children, and not to become independent human beings. The virtue - - of freedom is what people can do with [it]. Freedom is not an individual value but it is a social value. For Robinson Crusoe on an island – freedom is a meaningless concept to him.” (Free to Choose, 1980, episode 10)

This deification of individual and economic freedom forms the basis of neoliberal thinking. However, it must be remembered that Friedman had a surprisingly bright-eyed and idealistic approach to this freedom. He likely never wanted to see Googles¹, Apples, Exxons, Walmarts and Chinese state-owned enterprises ruling the world. Rather than consolidation and monopolies, he would have preferred consumer-friendly competition, a constant race to innovate and invest. Instead we have a stagnant world economy, where big is beautiful (and safe), investments are frozen and innovations mean churning out a slightly faster and thinner iPhone with new colour options.

Friedman thought that the greatest danger to freedom is a concentration of power, especially in the hands of a government. He preferred fragmented and weak power spread among the many. He was disillusioned of the government power in the late 1970s and early 1980s before the largest wave of deregulation had started in the U.S.

¹ By Google I mean the whole conglomeration, which operates under the new holding company Alphabet.

“[Instead of] regarding government a threat to our freedom, for past 50 years we have come more and more to regard the government as a benefactor from which all good things flow. We have assigned increasingly tasks of great importance to government. We have turned over to government larger and larger fraction of our income to be spend on our behalf. And the results are plain for all to see – they are disappointing.” (Free to Choose, 1980, episode 10)

The result of the deregulation and the victory of neoliberal ethos was not a shrunken government, but growing concentration of power in the hands of corporate executives, bankers and lobbyists. This is exactly what Friedman had opposed, and yet, he was taking part in forming this new world order. One could argue that this is because the government didn’t back off. Deregulation meant that corporations and banks had more room to manoeuvre, but at the same time new regulations kept piling up in many sectors. The biggest companies were the winners because they could afford the armies of lawyers to find them the most convenient loopholes to utilize.

Another explanation is that Friedman was, quite simply, wrong. Without adequate government oversight, markets do not operate effectively. That does not mean that the government should shepherd the economy as intensely as in the 1960s, but too much freedom is not a good solution either. Companies, including banks, are prone to take excessive risks and to protect themselves from their own reckless behaviour they seek shelter in size or collaboration. Thus, freely operating markets have a tendency to consolidate or form cartels and monopolies. This works against the benefit of the customer. In addition, behemoth companies leave a huge crater in the economy when they fall.

Friedman did not live long enough to see the economic destruction of 2007–2009. One of his followers, former Federal Reserve chairman Alan Greenspan did.

There is a sense of melancholy and even heart-break in Greenspan’s answers to the Committee on Oversight and Government Reform in October 2008 after the collapse of Lehman Brothers. Henry Waxman, the chairman of the congressional committee asked Greenspan about his ideology. Greenspan had previously stated that free and competitive markets are an unrivalled way to organize economies.

Waxman: “You feel that your ideology pushed you to make decisions that you wish you had not made?”

Greenspan: “- - ideology - - is a conceptual framework with the way people deal with reality. Everyone has one. You have to. To exist, you need an ideology. The question is, whether it - - is accurate or not. What I am saying to you is, yes, I found a flaw, I don't know how significant or permanent it is, but I have been very distressed by that fact.”

Waxman: “You found a flaw?”

Greenspan: “I found a flaw in the model that I perceived is the critical functioning structure that defines how the world works, so to speak.”

Waxman: “In other words, you found that your view of the world, your ideology, was not right, it was not working?”

Greenspan: “Precisely. That's precisely the reason I was shocked, because I had been going for 40 years or more with very considerable evidence that it was working exceptionally well.”

(U.S. Government Printing Office, House Hearing, 23.10.2008)

This octogenarian had believed in the mythical power of free markets for decades and made major decisions in monetary policy based on that ideology. Friedman had used his authority to protect derivative markets from tighter regulation. Now the hegemonic discourse that was the very basis of his thinking was breaking down in front of his eyes. His religion was dying.

4.3 Reagan, Thatcher and Deng – parents of our time

This shift of neoliberalism is associated heavily with Ronald Reagan and Margaret Thatcher who popularised the movement and brought it into mainstream. David Harvey, professor of anthropology and geology, describes their rise concisely in his book *A Brief History of Neoliberalism* (2005, 1–2, 39–40). Reagan, a Republican, served as the president of the United States from 1981 to 1989. Thatcher was the prime minister of the United Kingdom even longer, from 1979 until 1990. Both took advice from Milton Friedman on economic policy.

Both also pushed through broad deregulation programs, curbed trade unions, and encouraged privatization of state assets. They worked closely together to form a unified front against the Soviet threat and socialist ideology during the last decade of the Cold

War. In the terminology of discourse theory, Reagan and Thatcher elevated neoliberalism from a mere myth competing against other myths into an imaginary – a fully-fledged hegemonic discourse, which still today permeates many societies, although the cracks have started to appear after the recent global economic shock.

They didn't just change the political rhetoric but concretely gave the private enterprises more space to operate. Thatcher privatized in quick succession British Aerospace, British Telecom, British Airways, steel, electricity, gas, oil, coal, water, bus services, railways, and other state enterprises (Harvey 2007, p.60). Reagan's efforts did not advance as smoothly even though he named his own commission on privatization (NYT 4.9.1987). The U.S. Congress blocked many of his attempts to expand free markets.

Reagan's neoliberal legacy had more to do with taxation. In 1981 Reagan accelerated the growing inequality with a massive reform, Economic Recovery and Tax Act, which reduced overall taxes to corporations, expanded loopholes that the wealthy could take advantage of, and cut the maximum rate of estate tax by 20 percentage points to 50 percent. The top income tax rates and capital gains taxes were also significantly cut. Hacker and Pierson call this reform "an astonishing acceleration of the 1978 formula (under President Carter) of big tax cuts for business and the affluent" (2011 p.134–135).

A hegemonic discourse is far more than a language. It frames all social acts, including legislation. During the Reagan administration the share of all income earned by the highest earning 1 percent started expanding rapidly. From 1981 to 1989 the share of top earners rose from 8 percent to 13 percent. In 2012, after several neoliberal administrations (both democratic and republican) the share had already climbed to almost 20 percent, according to the World Top Incomes Database.

When it comes to capital accumulation, Oxfam, a human rights organization, reports¹ that in 2015, just 62 individuals had the same amount of wealth as 3.6 billion people –

¹ The Oxfam wealth estimates have received some sharp criticism. For example, The Economist (24.1.2015) points out that net wealth statistics can be unreliable and misleading, while income statistics (which, for example, Piketty uses) are more accurate, available and comparable. The estimates also do not include huge amounts of free digital services, which many of us use today to improve the quality of our lives. The trend of wealth concentration is undeniable *within* countries. Yet, at the same time, emerging countries,

the bottom half of the world's population. In 2010 the figure was 388. The wealth has been increasingly concentrating to the super-rich, especially in the U.S. Rising inequality is not an automatic outcome of capitalism, as the few decades following the World War II proved. However, it does appear to be the outcome of *neoliberal form* of capitalism.

These numbers show that a shift in discourse can have massive economic and social consequences, which in turn will play a large part defining the quality of our lives. Media has an important role in maintaining, but also altering the hegemony – and thus affecting the values of societies and the legislative process.

Wolf offers (2014, p. 129) that Chinese leader Deng Xiaoping should be considered equally important figure in the history of financial liberalization. This argument is solid, especially from a contemporary perspective. Deng essentially kick-started China's breath-taking economic miracle.

Harvey also considers Deng an important figure of neoliberalism (2005, 120–125). Deng, who was the *de facto* leader of China from 1978 until his retirement in 1992, introduced the pragmatic model of state capitalism, which has been gradually opening up Chinese markets to global trade and largely contributed to China's rapid economic growth.

According to the World Bank, China has averaged approximately a 10 percent annual growth rate since the market reforms started to take place in 1978. Around half a billion people have been lifted out of poverty, although inequality has also increased. In 2014 China surpassed U.S. in the production of new billionaires (in \$). Obviously, China keeps low profile when it comes to money. The ostensibly communist country does not like to boast with its growing class of super-rich (SCMP, 3.2.2015). During the same year, China also became the largest economy in the world in purchasing power parity terms, IMF calculated – although Chinese economic data is notoriously unreliable (BBC, 16.12.2014).

especially China, are catching up to the developed countries. Hence, inequality *between* countries is actually decreasing. This doesn't diminish the problem if the wealth within a country is distributed in an increasingly imbalanced manner.

While Chinese culture is not as utterly saturated by neoliberal discourse as the Anglo-American culture, it is in many subtle ways seeped through the communist regime into the social structures. For the last couple of decades China has also operated as “the factory of the world”, which makes it an enabler of the contemporary consumer culture. The wealthier China of today has an increasingly large and prosperous middle class, which loves to shop in online stores, expresses itself in social media, and gets partially educated abroad. Considering the massive role of China today in the world stage, Deng Xiaoping was definitely one of the architects of the neoliberal discourse.

The spirit of the 1980s started a wave of deregulation and liberalization in all developed and emerging economies in the world. That wave even reached my home country, the closed economy of Northern Finland, and temporarily turned it into a gambling casino economy that ended up plunging itself into the severe depression of the early 1990s. The Anglo-American discursive revolution enticed the whole Western world and largely influenced other places as well. It was a chain reaction fuelled by a noble and even religious belief in the omnipotent power of free markets.

Alfredo Saan-Filho and Deborah Johnston assert that neoliberalism is a complicated phenomenon that was born from a wide range of social, political and economic shifts.

“- it is not difficult to recognise the beast when it trespasses into new territories, tramples upon the poor, undermines rights and entitlements, and defeats resistance, through a combination of domestic political, economic, legal, ideological and media pressures, backed up by international blackmail and military force if necessary.” (2004, p. 1–2)

Needless to say, they are not fans. Still, it is important to remember that neoliberalism was not a creation of tyranny. It became the reigning discourse because there was a growing demand for a change.

While the politicians like Thatcher and Reagan mattered greatly in providing the leadership in a discursive shift, politics is only one aspect of the society. In representative democracies people choose their leaders. Hence, Thatcher and Reagan were incarnations of the will of the voters. The spirit of neoliberalism was already boiling within people, and newly organized interest groups knew how to appeal to that spirit. The growing government influence of the 1960s had left people feeling betrayed when they lost their jobs a decade later or had to get used to a growing grocery bill. The stagflation of the

1970s brought a deathblow to the Keynesian economic model, and it was understandable that people wanted to try something different.

4.4 Lobbyists battle with discourses

One of the reason why the idealization of free markets gained footing was the growing influence of corporations. Jacob S. Hacker and Paul Pierson, both professors of political science, argue that the deregulation and the growing clout of business interests in the U.S. politics started already before Reagan during Carter's administration in the 1970s. Even though Carter had a Democrat-controlled congress on his side, he could not parry the well-organized attacks by business organizations, which managed to water down many of Carter's progressive policy suggestions and taxation reforms. This was the power of neoliberal movement. Simply voting against it wasn't effective enough, especially if the chosen leader did not have enough skill to challenge the newly minted hegemonic discourse.

On the other hand, the domestic spending of the government saw the most rapid increases since the Roosevelt's New Deal under the Republican president Richard Nixon (2011, p. 96). Nixon, in power 1969–1974, expanded social security, created the national food stamp program, established, for example, the Environmental Protection Agency and the Consumer Product Safety Commission¹ and overall just extended government regulation in many areas (2011, p.97).

He was a conservative Republican president but more than that, he was a product of a New Deal era. It wasn't yet time for neoliberalism and the paternalistic government was still seen as a comforting and supportive structure. In his own way, Nixon did contribute to the rise of neoliberalism because Watergate scandal greatly harmed people's trust in the government. Even though the Vietnam War had harmed the reputation of the United

¹ CPSC was greatly reviled by Milton Friedman who argued that no consumer should be forced to pay in taxes for government protection. He even opposed mandatory airbags in cars and pointed out that it should also be of his own volition whether he wears a seatbelt or not (Free to Choose, 1980, Episode 7).

States abroad, it was still clearly the leading country of the Western world. Discursive shifts in U.S. would spread elsewhere too –just like a catchy pop tune.

The government expansion during Nixon and, to some extent, Ford¹ years, made businesses nervous and defensive. They decided to change the discourse.

According to Hacker and Pierson, the number of corporations with public affairs offices in Washington D.C., the political capital, grew from 100 in 1968 to over 500 in 1978. The number of lobbyists registered by firms multiplied from 175 in 1971 to 2,500 in 1982. The number of corporate PACs² increased fourfold from 1976 to mid-1980s. (2011, p.118)

This sort of radical expansion of corporate lobbying power did not stop in the 1980s. According to Center for Responsive Politics, the lobbying in Washington DC (at least temporarily) peaked right around the financial crisis. The most lobbyists swarmed Capitol Hill in 2007. There were in total 14,829 registered lobbyists then. For lobbying spending, the peak year was 2010 (\$3.52 billion). These numbers include all lobbying organisations, not just business interests.

European Union, which maintains a voluntary register of lobbyists, has also faced a flood in organized attempts to influence policies. According to the European Commission Transparency Register, the number of registered individual lobbyists was 9,504 in January 2016. Out of those, about 6,000 represent businesses, lawyers and consultants. Because the register is still voluntary, it only gives an indication of outside influences. The number of lobbyists might be much larger. The register also does not include lobbyists that target individual member states – just those that operate within the bureaucratic structures of EU (mainly in Brussels and Strasbourg).

¹ The Republican vice president Gerald Ford took over after Nixon resigned because of the Watergate scandal in 1974. Conservative Ford lost to Jimmy Carter in the 1976 election.

² Political Action Committee

There is not enough historical data to judge how the number of EU lobbyists has actually developed over the years. The voluntary register was established in 2011. There is an ongoing proposal to make the register mandatory.

The growing influence of lobbying is very significant from the point of view of discourse theory. Lobbying is an organized form of discourse creation. Not just the employer side, but also the employees, environmentalists and other interest groups are attempting to shift discourses in an organized manner. That being said, neoliberalism and globalism have definitely shifted more power to the employer side. While labour unions have remained relatively strong in most European countries, their influence has significantly fallen at least in U.S. According to the U.S. Bureau of Labour Statistics, the labour union participation rate was only 11 percent in 2015. There isn't official data available to the time before neoliberal hegemony was established, but in 1983, the first year of comparable data, the participation rate was 20 percent. The average rate in all OECD¹ countries has dropped from 35 percent in 1970 to 17 percent in 2014.

Hacker and Pierson write that between 1960 and 1980 in U.S. “there was a fourfold increase in charges of unfair labour practices, a threefold rise in charges of unlawful termination, and a fivefold increase in workers awarded back pay or granted reinstatement orders” (2011, p. 128). They conclude that these rising numbers were indications of tactics used by the employers to prevent unionization.

In Nordic countries, such as Finland and Sweden, the participation rate is still around 70 percent according to OECD. In these countries workers have more power and neoliberal discourse only has a partial grip. Still, these countries too are starting to suffer from old-fashioned social structures. Established interest groups, whether representing employees or employers, have a tendency to slow down progress and hold onto their already achieved collection of perks, even if that is detrimental to the society as a whole in the long run.

¹ A cooperative organization of 34 wealthy countries.

Lobbying could be called a professional way to form chains of equivalence in order to set up a powerful counter-discourse. It can also be used to protect the hegemony. As Hacker and Pierson clearly proved, lobbying is very much an element of neoliberalism. Professional influencing has existed before, but it has exploded in size since the 1970s. While there are no statistics of lobbying outside politics, as a journalist myself, I'm well aware that similar forces of lobbying are aimed at media – especially at politics and business journalism.

The problem with increasingly powerful lobbying organizations is that often those lobbyists have a myopic point-of-view and they fail to understand the long-term effects of their requests. As Kaletsky point out (2011, p. 314), before the crisis, U.S. auto manufacturers lobbied fiercely against fuel-economy standards and health care reforms, which would have caused some extra-expenses to the industry in the short run but forced them to update their operations. Similarly, the banking industry opposed mortgage and derivatives regulation. In the end, the government had to bail out the auto industry and a large slice of the banking industry. Both industries had foolishly lobbied against their own interests. Many energy companies are currently doing the same thing (by opposing stricter rules or larger price tag on carbon emissions), and governments are largely falling for it. It should be the responsibility of the politicians to take the long-term view and design societies patiently and wisely for future generations.

As I wrote in chapter 3, Michel Foucault believed that discourses could be known – and once we became aware of them, we could gain the power to shape them. One of the defining characteristics of neoliberalism is that the power has increasingly concentrated in the hands of companies (and not just any companies, but large conglomerates) and industry groups that are lobbying for the companies. This is an indication that corporations have become very aware of how important it is how we talk and think. They have gained the power to shape the public sphere.

After the financial crisis, there have been several large protest movements around the world, which is a sign that the awareness of the hegemonic discourse has spread to other echelons of the society as well. The fact that at least in U.S. professional lobbying seems to have plateaued may be another sign that we have entered some kind of a limbo state. Large crowds of people are rejecting neoliberalism but, at the same time, the new sovereign has not yet arrived.

The problem is that especially American politics has become completely dependent on campaign funding from different interest groups. Former U.S. Senate majority leader Tom Daschle has estimated in National Journal that senators spend *on average* two-thirds of their time raising money two years before the election (16.1.2014). The landmark Supreme Court ruling of Citizens United v. Federal Election Commission in 2010 opened the gates to limitless political donations – as long as the money isn't given directly to the politicians. This has led to the rapid growth of political action committees, which, ostensibly, do not affiliate themselves with the candidates. Bloomberg estimates that the 2016 U.S. Presidential election spending (by candidates and outside groups) will amount to around 10 billion dollars, which would be the new record (26.4.2015).

Financialization of everything is one of the key logics of neoliberalism. It is no wonder that this same logic operates in politics as well. In neoliberalism everything is for sale – including discourses.

4.5 Twisted faces of capitalism

Adam Smith and his concept of the invisible hand are often worshipped by the businessmen and bankers of today. Yet, as a moral philosopher, Smith was well aware of the dangers of distorted incentives in the markets. He argued that directors of joint stock companies (synonymous with modern day limited liability companies) would not have enough motivation to take good care of a company, unless they had enough of their own money invested in the venture.

“The directors of such companies, however, being the managers rather of other people's money than of their own, it cannot well be expected that they should watch over it with the same anxious vigilance with which the partners in a private copartnery frequently watch over their own. - Negligence and profusion, therefore, must always prevail, more or less, in the management of the affairs of such a company.” (2015, 736)

Smith realized already in 18th century that people are prone to misuse other people's money. In 21st century world using financial markets have grown into gargantuan proportions. Short-sighted quarterly reporting, computerized high-frequency trading and badly designed compensation packages encourage bankers and company executives to take excessive risks without considering the contagion risks to the real economy.

Government involvement is needed to curb those twisted incentives. Economic-cum-journalist Anatole Kaletsky predicts in his book *Capitalism 4.0* that we are on our way towards a healthier, smarter and more experimental form of capitalism. This capitalism would leave market fundamentalism behind and replace it with open-minded and creative private-public partnerships. If we want our societies to function better, governments and markets need to reorganize themselves in a cooperative way. Government would grow in certain aspects such as environmental protection, health care, and financial regulation, but shrink in other aspects such as pensions, income taxes, and subsidies to old-fashioned industries or agriculture. (2011, p. 1–16)

There is a very real risk that nothing significant gets done to fix the system. Doing nothing is a decision, a form of policy, and that means decision makers should be held responsible for that policy. Hacker and Pierson use the concept of *the drift* describe how premeditated inaction has wrecked the middle class (2011, p. 52–53). They argue that the drift is a “passive-aggressive form of politics”. In the world of the drift, politics are stagnant and the society is going nowhere. Something similar is happening in the world economy as well. The phenomenon persistent low growth and anaemic economic activity has been called the New Normal by Mohamed El-Erian or secular stagnation by Lawrence Summers¹. This economic drift is strengthened by ageing populations in rich countries.

Because of the drift, politician spend time on preventing legislations from getting passed or watering them down. Due to these delaying and muddling tactics, legislation that does get written has gotten extremely complicated. An example of this is the Dodd-Frank Act² of 2010 that is supposed to curb proprietary trading, require systematically important banks to write credible “living wills”³, and give a route for legislators to break up unstable financial institutions. The act consists of about 2,400 pages – most of

¹ The term secular stagnation was popularised already in 1930s by Alvin Hansen, an economist and follower of John Maynard Keynes.

² Includes the famous Volcker Rule, which alone runs for 900 pages.

³ A living will is a plan how systematically important financial institutions can be broken up safely without bringing the whole economy down with them, if they are in danger of defaulting. In short, banks are forced to think what happens if they die.

them there to make legislation less effective. It is completely unrealistic to assume that even 0.1 percent of bankers or politicians would read through the whole act. The Glass-Steagall Act of 1933, which, among other things, separated commercial banking and investment banking, was only 33 pages. (Forbes 17.12.2013)

The rule of thumb goes that more pages there are in a law, the easier it is for expensive lawyers to find loopholes in it. This benefits large corporations and rich individuals while weakening the rights of average citizens (who probably have no idea anymore what their rights even are). This is legislative control over discourses.

The 1970s and 1980s were the time of huge social and economic transformation, yet the politicians have failed to properly update (apart from creating more loopholes for corporations to take advantage of) legislation to match the new *status quo*, the era of neoliberalism. The drift appears to continue after the 2008 collapse. The momentum for big changes right after the catastrophe has already vanished.

This has been acknowledged even by the International Monetary Fund. The head of the IMF, Christine Lagarde, has publically made clear how disappointed she is in the reluctance of the policy makers to implement structural changes and the sluggishness of banks in cleaning their balance sheets. Like Martin Wolf, she forecasts that it might take another crisis to make the leaders once again have their backs against the wall and force them to act.

“It may take a bit more fragility, drama, and economic misery for things to actually change. And, in a way, I see our duty at the IMF—and my duty—as helping countries prepare for that.” (Bloomberg 11.4.2016)

The drift is at least partially the fault of indecisive politicians. Kaletsky argues that the Left has failed to take advantage of the chaos that the financial crisis triggered. Left-wing parties responded to the crisis by blaming bankers and failing to point out that the financial calamity was caused by a systemic failure. They had a chance to demand structural changes and blame the economic ideology of neoliberalism, but they chose to concentrate on witch-hunts and lost their momentum. Kaletsky calls the failure of the Left “one of the biggest political miscalculations of modern times”, and I agree with him. The Right, on the other hand, kept to their rhetoric and managed to, at least partially, put the blame on the big government. (2011, p. 255–257)

The Left continues to be staggeringly incompetent, unorganized, and unimaginative in many parts of the world – especially in Europe. John Kay ventures that the political left simply panicked when they realized that the moment that they had waited for a century – the collapse of capitalism – might actually come true. “The intellectual self-confidence of the European left had been drained by the failures of socialism”, Kay writes (2015, p. 301)

The Left has been unable to compose a cohesive counter-discourse and has allowed equally misguided right-wing parties to prepare for their “last fling” with the free markets, as Kaletsky puts it. This could be a dangerous development. In some countries, such as Britain and Greece, the left has actually regressed and returned to their narrowly socialist roots. This starkly antagonistic, uncooperative way of doing politics is unlikely to create significant changes in a society. On the right-side of the spectrum, the alternatives to *status quo* tend to be nationalistic populist parties, which offer even less constructive policies. Very few countries¹ have been able to develop moderate and thoughtful new political movements after the crisis. There is no real attempt to form a new consensus that could shift the hegemonic discourse towards a more humane form of capitalism. If there is no will to reinvent capitalism once again, there is a risk that the eventual discourse shift will be violent.

It is as U.S. President Barack Obama’s former chief of staff Rahm Emanuel said in an interview (NYT 9.11.2008): “Rule one: Never allow a crisis to go to waste. They are opportunities to do big things.” Unfortunately, nobody read the first line of the rule book.

Neoliberalism *has become* problematic, at least in its current form, as was so devastatingly proved by the recent financial crisis. The crisis has marked a shift in policies, academic discussion and journalism. For example, even traditionally “cold-heart capitalist” organizations such as OECD (economic organization for developed countries) and Inter-

¹ Spain would be an exception. Ciudadanos (Citizens), formed in 2006, has become a medium sized party with a liberal center-left agenda.

national Monetary Fund are clamouring for both fiscal and monetary stimulus in the eurozone, not austerity, like in the beginning of the Eurozone debt crisis (e.g. WSJ 25.11.2014, FT 10.7.2014). IMF has also publicly admitted making miscalculations and misjudgement when it pushed for stark austerity measures for Greece (e.g. The Guardian 5.6.2013). Both organisations have also warned the world of growing inequality.

Whether these organizations have been right or wrong to change their views is beside the point; what is significant to my research is that there is some evidence of a discourse shift even in the highest echelons of the Western world.

There truly has been a shift – but many (such as Nobel laureate economist Joseph E. Stiglitz and lauded The Financial Times journalist Martin Wolf) argue that the change has not been adequate so far and has lacked a direction. The hegemony of neoliberalism is wavering, but there is no unified antagonistic discourse to replace it. The field of discourse is going through a stormy reorganisation, and different mythical dimensions are struggling to transform into an all-encompassing new imagery.

The critics' voices ring louder than before like the strongly worded article *The Book of Jobs* by Stiglitz (January 2012), published in a popular lifestyle magazine Vanity Fair, shows:

“– we have not fixed the financial system. Rather, we have poured money into the banks, without restrictions, without conditions, and without a vision of the kind of banking system we want and need. We have, in a phrase, confused ends with means. A banking system is supposed to serve society, not the other way around.”

It is possible that the formation of a new hegemonic discourse is increasingly difficult in fragmented post-modern societies, but the lack of direction hinders development and may end up causing even more economic and social suffering. Pluralism can be a good thing, but if it leads to indecisiveness and stagnation, it can deform into a destabilizing force.

Kaletsky is more optimistic, but even he, the apostle of Capitalism 4.0, is feeling cautious. He writes in Project Syndicate column that there is a sense of foreboding, which is caused by the disintegration of the current social structures.

“It is obvious that new technology and the integration of billions of additional workers into global markets have created opportunities that should

mean greater prosperity in the decades ahead than before the crisis. Yet “responsible” politicians everywhere warn citizens about a “new normal” of stagnant growth. No wonder voters are up in arms.” (31.3.2016)

People sense that something broke badly during the financial crisis and – worse yet – it is still broken.

Yet, there are many trends in the world that are pushing societies towards a new form of capitalism, even if politicians are unable to lead us there. The climate change is challenging the current economic model in ways that we have never faced before. It is extremely unlikely that the businesses will be able to adapt to new environmental demands without incentives and regulations from the public sector. Just something as simple as changing gasoline cars into electric ones is going to take huge infrastructure investments and probably tax subsidies too, which will have to come from governments. At the same time, a demographic shift in developed societies means that the public health care is likely not strong enough to deal with the aging patients. Cooperation with private sector is needed. Technological advancement of artificial intelligence and robotics can potentially cause a new industrial revolution, which may force governments to completely revamp their social security programs because of massive job destruction and re-definition of work.

4.6 Technology as a vehicle of discourses

Technology can play an important part in building or emphasizing certain discourses. Harvey describes how technological development has played a significant role in cementing neoliberalism as the hegemonic discourse in the globalized world since the 1970s. According to him, those with access to latest technological innovations can mobilize them to “undermine dominant social relations and institutions” (2005 p. 69).

Idealization of technological change is at the core of neoliberalism and its discourse. Competition drives humanity to exceed itself by rapidly inventing new and exciting products and bringing them to the market. The fear is that neoliberalism has led to fetishization of technology to the point that it is seen as the answer to every problem from depression (antidepressants) and wars (drones and cyber-attacks) to climate change (electric cars and carbon capture) and freshwater resources (desalination plants). Some

of these solutions may indeed be very important and perhaps even revolutionary, but too often technological advancement is used as an excuse to avoid making difficult political decisions or change our consumption habits. After all – soon enough there will be an app for that.

Harvey argues, perhaps too hastily, that the increased focus on technological dynamism can lead to instable societies, deindustrialization, speculative bubbles and even environmental degradation (p. 68–69). In my opinion, Harvey highlights the reciprocal relationship in a relevant way, but he ends up demonizing technological advancements instead of realizing, that technology has a material aspect to it, which exists outside of its discursive framework. That is to say, technology isn't inherently political. In fact, it is more like a floating signifier, empty of permanent meaning. Technology can be redefined when it is approached through a counter-discourse.

The classic example is the internet, which has its roots in the U.S. Department of Defence's ARPANET project of the 1960s. The modern internet has long since expanded out of state departments and universities into the world of possibilities ranging from entertainment and social relations to free, communally updated encyclopaedias and political campaigns. Several lobby groups, NGOs and hacker activists are fiercely protecting the freedom of the internet from government and corporate control. There are even political movements, such as Pirate Party, formed around the idea of keeping the internet free of control.

Harvey might disagree with me, but I consider the internet to be one of the most important democratising innovations of our time. It has created new channels (such as social media and alternative news sites), which allow counter-discursive opinions to surface in the public sphere, even if a lot of them will drown in the flood of information.

The internet has played a huge role in helping to kindle numerous protests around the world after the financial crisis of 2008. Arab Spring, Occupy Wall Street, demonstrations in Greece and Spain during the depths of euro crisis – all were at least in part organized online, and not only that, ideologies themselves get spread and discussed over the internet. Yes, terrorist groups like Isis can utilize internet as well, but that is the flipside of freedom. As I stated, technology is a floating signifier. It can be used for illegal and evil acts too.

Considering the left-wing leanings of his book, I'm sure that Harvey would mostly approve of this sort of technologically aided instability, which helps to destabilize the current hegemony. If neoliberalism is getting seriously challenged after the financial crisis and the European debt crisis, the change is at least partially aided by structural changes in the media industry.

The discursive shift will happen only if at least some part of the mainstream media adapts to it as well. The internet has, however, empowered alternative news sources and created a whole new arena out of social media, which lets citizens to express their views directly and uncensored. This empowerment of alternative voices is likely affecting discursive choices of mainstream media. To what extent, I will try to find out in this thesis.

Harvey's sceptical stance towards technology and innovation is on stronger footing when it comes to financial markets. Rapid innovation has shook the financial markets since the 1970s, and it has mostly benefitted bankers and institutional investors, not so much customers. As Paul Volcker¹ famously (and somewhat exaggeratingly) said in 2009: the last financial innovation that actually improved the society was the ATM.

“I hear about these wonderful innovations in the financial markets, and they sure as hell need a lot of innovation. I can tell you of two – credit-default swaps and collateralized debt obligations – which took us right to the brink of disaster. Were they wonderful innovations that we want to create more of?” (Volcker, WSJ 14.12.2009)

Modern financial markets were born during the 1970s and 1980s when swathes of regulation were peeled away and derivative contracts such as futures, swaps and options began to rapidly rise in popularity.

The new finance created an abstract layer to the trading. People who had never even seen a barrel of crude oil could partake in trading it. These traders would have no need

¹ Paul Volcker was the chairman of the Federal Reserve from 1979 to 1987. After the recent financial crisis, Volcker has exhorted passionately for politicians to strengthen the regulation of financial institutions. The so called “Volcker rule” was named after him. The rule limits the trading commercial banks can do in their own account, although it was vastly diluted after several exceptions and complications were added to the legislation.

to physically get oil and, indeed, they would never get it. Above the normal oil production operated a superstructure of contracts that together were several times more valuable than the commodity that actually got delivered.

Daniel Yergin describes the scene when WTI oil futures started to trade on New York Mercantile Exchange, Nymex, on 1983.

“Pushing and elbowing themselves into the seething crowd on the floor of the Nymex, [traders] shouted and furiously waved their arms to register their orders for contracts. - - The initial reaction to the futures market on the part of the established oil companies was one of skepticism and outright hostility. What did these shouting, wildly gesticulating young people, for whom the long term was perhaps two hours, have to do with an industry in which the engineering and logistics were enormously complex, in which carefully cultivated relationships were supposed to be the basis of everything, and in which investment decisions were made today that would not begin to pay off until a decade hence?” (2010, 556)

The oil companies (and other industries) obviously caved and, in a few years, the veterans were playing the game of derivatives just as enthusiastically as the young traders.

The first financial futures contract had already been launched earlier in 1972 in Chicago Mercantile Exchange. The idea was applied to foreign exchange and other financial instruments. The gold standard had been buried for good in 1971. Money had become an abstract concept that was purely based on how much investors and consumers trusted governments who issued these pieces of paper called money. Suddenly foreign exchange trading became an exciting game. Similarly, futures trading used to be a sleepy practice of farmers who wanted to stabilize their annual income. In the 1970s and the 80s it was transformed into the playing field of suits and ties.

John Kay, a professor of economics and a columnist to the Financial Times, explains that what happened in Chicago was just the beginning. Bond trading metamorphosed from a backwater of Nick Carraway¹ into trendy and risky business of Lew Ranieri².

¹ The fictional narrator of *The Great Gatsby*, a novel by F. Scott Fitzgerald. Carraway is a dull and ordinary bonds trader whereas Gatsby is an extravagant and mysterious millionaire.

² Lew Ranieri is considered the father of mortgage-backed securities and other creative bond structures.

Fixed income, currency, commodities were “turbo-charged” by derivatives, which created a new trading culture. (Kay 2015, p. 20–21).

Computers added another layer of complexity and abstraction to the markets. These days, the most important unit of trading is a millisecond, as Michael Lewis aptly describes in his investigative non-fiction book *Flash Boys*. Lewis writes about a cable construction project, which started in the midst of the financial crisis in 2009. The new cable tunnel by Spread Networks cost about \$300 million, and reduced the sending time of data by four milliseconds (2014, p. 13–14). For comparison, an average blink of an eye takes a few hundred milliseconds. The project was done because financial firms are willing to pay lavishly if they can just shave another millisecond or two off their trading time. This high-frequency trading is, of course, done by computer algorithms. Humans can’t consciously operate in milliseconds.

As the new financial instruments flooded the market, trading got more and more convoluted. According to the Bank for International Settlements the notional value of the all over-the-counter¹ derivatives contracts was globally 533 trillion dollars in June 2015. The amount was actually 84 trillion dollars smaller than half a year earlier.

The temporary shrinking of derivatives market is a sign that increased regulation is at least somewhat effective. Bank are reducing their portfolios so they wouldn’t have to hold as much capital. Still, \$533 trillion is a huge amount of money, especially since the underlying assets of those contracts are largely built on trust, which could easily vanish quickly in a case of another crisis. To give some sense of the scale of derivatives market, the size of the economy of the whole planet is only about \$80 trillion dollars according to CIA’s World factbook.

How is this huge disparity even possible? John Kay explains it elegantly:

“Financialisation has created a vast edifice of financial claims built on top of a slim foundation of physical assets: that is how it came about that the

¹ Over-the-counter (OTC) derivatives are traded outside of formal exchanges (like New York Stock Exchange) through dealer networks. Small part of derivatives market is handled in formal exchanges but most of it is done over-the-counter.

value of outstanding derivative exposure far exceeds the value of all the assets in the world.” (2015, p. 177)

Derivatives can be used in a responsible manner to hedge investments but many of the instruments, especially the so-called synthetic ones, are simply used for gambling – often with other people’s money. This gambling made the derivative markets into something of a pyramid scheme that temporarily collapsed in 2008. Kay himself does not support more regulation and, indeed, sees current regulation as a source of more confusion in the financial markets. Instead, he demands simpler, clearer, and more effective regulation, which does not create murky incentives and will not be easily defeated with an army of lawyers.

Why write about high-frequency trading and derivative markets in a study about discourses? Because, as I have stated before, discourse theory is not simply a linguistic topic. It is about the society as a whole. The way we think and speak about the world *shapes* it. This financialisation of everything is a logic of neoliberal discourse.

Derivative markets have not just appeared because the technology allowed it. They were created by people who thought in a certain way, believed in certain things and were constantly influenced by the culture around them, which has been saturated with neoliberal discourse for four decades. The “irrational exuberance”, a term which Alan Greenspan¹ used in his speech before the Dot-com bubble of the late 1990s, was not irrational at all.

The raging animal spirits of the investors were a logical result of neoliberal hegemony. If the society encourages greediness, reckless short-termism and selfishness, is it any wonder that the people become just that? And not just people. The very infrastructure of financial markets reflects and enhances these values. That cable built by Spread Networks? It likely would have never been constructed, if we didn’t live in the era of neoliberalism.

¹ Alan Greenspan was the chairman of the Federal Reserve 1987–2006. While in office, he was lauded as the wizard of monetary policy but his policies during the years before the 2008 crash are now widely considered as careless. He has acknowledged that he erred in judgement and that he put too much in trust to free markets.

The complexity of the financial markets serves a purpose. It has made financial engineers look better at their jobs – it has made the City of London and Wall Street of New York exclusive clubs reserved for “masters of the universe”. And it has obfuscated the regulators.

Even after the financial crisis, banks still often use the excuse of complexity when something dubious happens. Nordea, the largest bank in Nordic countries, recently got a lot of bad press because it had helped people and organisations to move their assets to tax havens and had possibly even aided its customers with tax evasion. In an apologetic press release the bank tried to point out that “offshore structures can be used as a legal and administrative vehicle for some customers with very complex, international business” (4.4.2016). Yet, these same organisations struggle to come up with solid explanations as to why these company structures have to be so complex in the first place. The reasons, of course, are obfuscation and tax inversion.

4.7 Media as a discourse setter

Media is an active player in discourse building. Sociologist Jürgen Habermas remarked in his pioneering work of the 1960s *The Structural Transformation of the Public Sphere* that the commercialization of the newspapers already during the 19th century made the newspapers more easily manipulated by private interests (2004, p. 272). The moment that advertising business and other corporate motives started to weigh heavily in the media industry, journalism became joined at the hip with the corporate interests. Most newspapers and television channels are businesses, so it is natural that they tend to some extent protect those interests.

In Britain, Harvey argues, anti-welfare state reporting started already in the 1960s with the respected Financial Times in the lead. Harvey calls media increasingly subservient to financial interests, although he also points out that Margaret Thatcher had her share of fights with the media when she tried to bulldoze many of her neoliberal reforms through.

“Individualism, freedom, and liberty were depicted as opposed to the stifling bureaucratic ineptitude of the state apparatus and oppressive trade union power. Such criticisms become widespread in Britain during the 1960s and became even more emphatic during the bleak years of economic stagnation during the 1970s.” (Harvey 2007, p. 56–57).

As a citizen of Finland, I would argue that in Nordic countries the corporate influence has been more subtle. Welfare state has strong support among voters, which means that corporations, politicians, and media are more likely to suggest gradual neoliberal adjustments rather than outright try undermine it. Also, Nordic media is quite independent and I have a hard time imagining corporate owners outright telling a Swedish or a Finnish newspaper to adhere to a certain point of view. However, as I have previously stated, the hegemonic discourse is everywhere in our society. The mainstream media will have a hard time separating itself from the discreet influence of neoliberalism. Even in Nordic countries it is extremely rare to read an editorial, which suggests something that radically deviates from generally accepted norms.

Harvey uses Rupert Murdoch’s media empire as a modern example of the conscious spread of neoliberal agenda (2007, p.35). Murdoch’s businesses are also an illustration of how influential media has consolidated into a handful of large corporations. As evidence he points out that all of Murdoch’s 247 newspapers supported the Iraq War (2003–2011) in their editorials even though the editorial staff was supposed to be independent in each paper. That is a sign of direct influence of ownership in media and an attempt to direct discourses.

Murdoch, an Australian-American media mogul, is the founder of News Corporation. The company is currently split into News Corp and 21st Century Fox, both of which Murdoch serves as the chairman. Among other things, conservative Fox News Channel and the Wall Street Journal belong to Murdoch’s news empire. His media ownership is concentrated in U.S., Britain and Australia. He has a history of supporting Republican candidates in the U.S. elections (with both money and endorsements) and he has been a board member of Cato Institute, a libertarian business-friendly think-tank.

Political connections and even openly partisan activities for a prominent business man are understandable but, if he truly influences strongly the editorial teams that work under his ownership, it is problematic for the freedom of speech. In practice, he limits the

formation of counter-discourses. Institute for Media and Communications Policy, a German non-profit research company, ranked 21st Century Fox and News Corp together as the fourth largest media conglomerate of 2015.¹ If only news production revenues are accounted, Murdoch's media empire is by far the largest in the world. That sort of reach comes with a great responsibility.

Still, it has to be pointed out that the media concentration does not automatically lead to concentration of opinions. For example, a news channel MSNBC is considered to be progressive, Democrat, and left-leaning. It is hardly a small, alternative news source. MSNBC is owned by NBC Universal, which in turn is a division of Comcast, the largest media company in the world. The New York Times and The Guardian are also left-leaning mainstream media. All of these examples exist within neoliberal discourse and are, to some extent, influenced by it. Yet, they (and many right-leaning publications as well) are also able to spot mistakes in the current system. There is always some struggle within the hegemony, and the situation is not quite as grim as Harvey paints it.

Harvey alleges that "a few media magnates control most of the flow of news, much of which then becomes pure propaganda" (2007, p.80). Yet, as Habermas points out, the concentration and commercialization of media is hardly a new phenomenon. The first big media conglomerates were formed already during the last quarter of the 19th century. It is not just shifts in discourse, but also technological advancements and changes in political structures, which have accelerated the amalgamation of the media industry and its growing closeness with business interests (Habermas 2004, p.274). At the same time, the internet has created countless of alternative news sources – many of them independent of big business interests.

I would contend that having a progressive, neoliberal, conservative or socialist slant is not propaganda as long as the news medium makes very clear how it is affiliated (which is something that, the Economist, for example, does laudably). Opinions turn into propaganda when the editorial staff is coerced into supporting owner's objectives, when

¹ Comcast, Google and Disney were bigger than 21st Century Fox/News Corp.

journalists fail to acknowledge their biases or distort the facts, and when the aim of the medium is to influence audience by using deceptive measures.

That doesn't mean that newspapers such as the Financial Times, Wall Street Journal, the Economist, Businessweek or the Daily Telegraph haven't had a significant role in enforcing neoliberalism as the hegemonic discourse. I just wouldn't go as far as blaming them of propaganda. The mainstream media *always* enforces the hegemonic discourse of their time – that is why it's called mainstream. Alternative opinions are found elsewhere. The mainstream media usually sides with the *status quo* because it is the safe and conservative option. They also do so, because big publications have power to mould the minds of the masses, and they should be careful in using it.

I would like to see more bravery and imaginative ideas in the mainstream media, but I understand why this rarely happens. However, these publications can have a significant role in encouraging discourse shifts during ruptures, like aftermath of the financial crisis. Those are moments when the mainstream can and should pick a side or push reforms, instead of just going with the default option.

It has to be acknowledged that a single newspaper is not a monolithic entity that speaks with a single voice. My own experience with Finnish media industry has been that newspapers are pluralistic organisations, which speak in many tongues.

5 RESEARCH METHOD – DISSECTING DISCOURSES

My research method could be summarized as a search for logics of neoliberalism within journalistic texts. I will recognise the logics, list them, and draw conclusions whether there are signs of shift in the neoliberal hegemonic discourse.

In the appendix section, there are two charts (Table 1 and 2), which are a simplified presentation of different logics that were found in *Businessweek* and the *Economist* magazines in 2006–2013.

Blue is for logics that support the hegemony of neoliberalism. Red is for the counter-logics. The logics in an article are marked by numbers ranging from 1–5. At maximum, five logics are recorded in the chart. There can be less than five logics present in an article. The strongest logic is marked with number five, the second strongest with number four and so on. This presentation is obviously crude and simplified, but it should give the reader a broad view of the results of this research. The qualitative analysis of the articles is in Chapter 6.

5.1 Introduction to methodology

For this research, I partially utilize Sean Phelan's categorisation of *logics* of neoliberal discourse, which he explains in his essay *The Media as the Neoliberalized Sediment* (2011, p. 128–153). Phelan himself relies heavily on Laclau's discourse theory.

Phelan identifies five key logics that, according to him, are central to neoliberalized regimes. These are market determinism, commodification, individualization, competitive ritual, and self-interest. (2011, 131) I will not rely on his categories completely, but instead will expand upon their definitions. These logics will serve as my hypothesis as I embark into unravelling the discursive weave of my source material, the weekly business magazines. In my research I will also draw attention to counter-logics, which, to some extent, work against the current hegemony, and logics (additional to Phelan's categories) that are defensive of the neoliberal discourse.

Having pre-made categories of the logics exposes this thesis to the risk of concentrating only on what the researcher thinks she will find. However, I believe that using Phelan's categories as a starting point gives this thesis a strong starting frame, which has more benefits than disadvantages. I emphasize that all results, which will rise only from the material, will be taken into account. The categories are flexible.

Phelan argues that mainstream media operating in a neoliberal society tends to be caught up in *repressive pluralism*, which makes it difficult for other logics to emerge as plausible options to the above mentioned ones. Basically, the current media culture:

”– – valorize[s] plurality and difference, while nonetheless inscribing the logic of the political within a set of discursive logics that put antagonistic limits on the possibilities of a more radically pluralist society.” (2011, 131)

In my interpretation, he means that while mainstream media use combative sources and offer several points of view, the end result is still always the product of neoliberal discourse order. While Phelan gives no clear examples, my research material (and indeed, my own experience as a journalist) gives plenty of clues to what sort of cases he might have meant. Often alternative views are brought up in articles as afterthoughts, or radical thinkers reduced to cantankerous activists or unrealistic dreamers through wording or structure of the text. Sometimes alternatives get a serious treatment, but the dominant source in the article will still be, for example, a neoclassical economist.

However, I cannot entirely subscribe to Phelan's view of repressive pluralism. As I will later demonstrate, my research material showed plenty of excellent examples of *true* pluralism – and this happens in neoliberal business magazines. Sometimes radical thinkers got whole articles dedicated to them just to elaborate new ways of thinking. It may not represent the leftist alternative that Phelan is obviously aiming at, but the reigning neoliberal discourse did get challenged – and, in few cases, already before the crisis.

I examine in this thesis how large the discourse shift has been in the field of business journalism after the crisis and, in the conclusion section, make my own normative estimation on the quality of these changes. Is the disintegration of discourses also ailing journalism and do we journalists offer fixes to the unnerving situation?

It should be noted, that I do not subscribe to the view that all the logics behind the neoliberal discourse are necessarily wrong or misguided. While much of my references are

post-Marxist theorists, who often (but not always) suggest a social democratic or other left-wing solutions to the “neoliberal dilemma”, I don’t actively endorse another politically lopsided discourse order to replace the current one.

The healthiest kind of media practices true pluralism, which is self-aware of the hegemony and how the reigning discourse can cause biases. The media should actively search for out-of-the-box ideas and alternative logics (the building blocks of discourses), which will help to nudge the society into a new, preferably improved shape.

Ernesto Laclau (1935–2014), one of the key sources in this thesis due to his revolutionary work on discourse theory, blatantly endorsed leftist views and even belonged to PSNI, a socialist party in Argentina for a while. Yet, even he believed, at least in his earlier work, that “the construction of an alternative project is based on the grounds created by transformations, not on opposition to them (55–56).”

While a large financial crisis might cause a sudden shift in the discourse for a short while, my hypothesis is, that the hegemony rarely does permanent U-turns. That is why my research material is spanning over several years. The market fundamentalist hegemony is rooted into the very sediment of our society. It can change, and crisis certainly will shake that foundation towards a change, but I’m expecting to find a gradual transformation or even stagnation – not an abrupt metamorphosis.

5.2 How to spot a discourse

Norman Fairclough, a professor of linguistics, describes discourses as repetitions of similar representations (2008, p. 124). This is similar to Laclau’s way of thinking logics forming chains, which in turn become fully-grown discourses. The difference is that Laclau is describing actual discourses as something massive in scale, while Fairclough can find several discourses in one newspaper article. Laclau’s discourse is *the* current ethos of the society. Just forming a single counter-discourse to challenge it, takes time, organized effort, or significant shocks within a society.

In this thesis, I have used the term hegemonic discourse to describe that social ethos. I will also separate in my analysis several potential counter-discourses that can be identified in the research material. What Fairclough calls discourses, are in my thesis, closer to Laclau's logics – fragments of discourse. I will recognise those individual logics as well.

In practice, a newspaper might repeatedly allude, for example, that short-term profits and generous dividends are a sign of a successful company. This sort of recurring representation would be feeding the neoliberal hegemonic discourse as well as be an example of a specific logic – the logic of self-interest.

Discourses are subtle and good at hiding. For instance, an article might obfuscate the responsibility of politicians or business leaders. This could happen by using nominalization, intransitive verbs and passive voice to indicate a lack of human agency (Fairclough 2008, p. 12–13)

In order to spot a discourse (or a logic), you cannot just concentrate on what is present in the text. It is equally important to notice what is omitted and how the issues are prioritized. During an analysis, it is good to stop and think, how this could have been written in a different manner. That way it is easier to become aware of the choices that the writer has done, both consciously and subconsciously, while creating the text.

In a newspaper article, a reader should pay attention to relationships within the text and how subjects are categorized. Is an interviewee admired, respected, diminished, ridiculed, or downplayed? Are there intertextual allusions within the text? What sort of sources does the article value and which sources are clearly given a lower rank? What is the sociocultural context of the text? Who is it ostensibly written for and why is it written? These sort of questions help to recognise discourses in journalistic text. (Fairclough 1997, p. 264–269)

Discourse analysis is always imperfect and, to some extent, subjective. This is not quantitative, but qualitative and normative research. It is extremely likely that somebody else would interpret the research material differently. The value of discourse analysis is not in bulletproof, indisputable results but in the thought process and in participation to public discussion. Discourse theoretic research works in dialogic relationship with the society. Its aim is to open up new channels to approach texts and make the reader aware

of the discourses that are constantly aimed at them. As Fairclough says: “There is no complete and definitive analysis of a text” (2008, p.14).

5.3 Logics of neoliberalism

In this section I will introduce the logics of neoliberalism and their counter logics. These are the logics that I will try to identify from my research material in Chapter 6. In the next chapter, I will provide a chart (Table 1) where I have gathered data about the different logics present in the magazine articles.

As a basis for my logic categories, I will use a somewhat modified categorization of Sean Phelan in his article *The Media as the Neoliberalized Sediment: Articulating Laclau’s Discourse Theory with Bordieu’s Field Theory* (Dahlberg & Phelan 2011, p. 128–153). He only lists the typical logics of neoliberalism. However, I am also looking for signs of shifts in the hegemony. Thus, it is necessary for me to spot possible counter-logics as well.

I have created antagonistic logic pairs, which may be a bit artificial. As I explained in Chapter 3, antagonism isn’t simply about a dichotomy – opposing forces. These logics can have a nuanced relationship, and it isn’t healthy for the hegemonic discourse to be filled solely with any of these logics alone.

For example, approaching everything through financialisation denigrates and mechanizes life and, in the worst case scenario, make us ignore human suffering when making political, journalistic or economical decisions. However, writing solely through humanised lenses would make us ignore economic realities and might prevent us from seeing the big picture, which could help us to create a better society.

Some of the logics in this list, such as self-interest, competition and individualism, may seem similar. However, these are not fully grown discourses. These are fragments or different shades that together form a discourse. It is important to separate these different gradations so that we know how the actual discourses are constructed.

Here are the logics of this thesis:

Market determinism / government direction: Market determinism is at the core of neoliberalism. This logic relies on the idea that the invisible hand of self-interest is almost a god-like power that will guide the markets towards a perfect society. When markets are left on their own and given the maximum amount of freedom, the economy flourishes and even the poor are better off.

Trickle-down economics, a term often used in the U.S. politics, is an example of market determinism. This political catch-phrase means that the policies that favour the wealthy will actually produce the most well-being for the middle class and the poor, because the wealthy will use their extra money in a productive, job-creating manner. There is very little economic evidence of this actually being true.

Government direction is a logic, which believes that government should have a strong role in creating restrictions for businesses to operate. Government can also be an active player in several sectors of the economy, operate large infrastructure projects, be responsible for health care and education, and even run companies.

Financialisation / humanisation: Phelan uses the term *commodification* to make a point that within neoliberal discourse almost everything is for sale and considered as a commodity. However, I have replaced that term with *financialisation*, which is a term that John Kay also uses. I believe financialisation better captures the complexity of transactions that are behind all goods and services we consume, the culture we live in and even the interactions we have with other people.

Financialisation also better identifies the birthplace of this logic: financial markets. Everything is not just for sale, but everything can be securitized. Securitizing something in modern financial markets means that a simple thing, like a mortgage or a sack of soy beans, can suddenly be sold again and again as a digitized derivative. People can bet against the prices or believe they will rise. People can bet the debtor will default and protect themselves against that default, even if they hadn't actually loaned the said debtor any money. Suddenly one loan is sliced and diced into neat little digital packages.

As we saw during the Eurozone crisis, even people's livelihoods can be financialised. Eurozone leaders, bureaucrats and the IMF spent thousands of hours in designing complicated financial vehicles to loan more money to countries that were about to default.

This sort of financialisation can have serious consequences that actually hurt people. This is how Ashoka Mody, an economist, describes how decision making process of the IMF on Greece has for years been blinded by the logic of financialisation:

“The greatest failure was in Greece, where, rather than forcing a restructuring of debt, the Fund and its European partners relied on ever deeper fiscal austerity. - - Finally, after a prolonged standoff with the Greek government through the first half of 2015, the IMF publicly stated that Greece’s official debt was unsustainable and a large chunk needed to be written off¹. But the Fund still refused to back off on austerity.” (PS 9.4.2016)

Mody is hardly a radical leftist thinker. He used to work for the IMF as mission chief for Germany and Ireland.

Humanisation works as the antagonistic logic pairing to financialisation. Essentially, it means that instead of valuing every aspect of our lives through financial markets, we give value to things based on how much welfare and happiness they create.

Individualism / Communalism: Phelan’s term is a somewhat more scholarly *individualization* but I will simply talk about *individualism*. Individualism emphasizes the worth of *me*. Every single person is distinct from each other and should be free to pursue their goals with little restrictions from government or other people.

The logic of individualism underlines the uniqueness of each person. We have different tastes, different aspirations, and different levels of wealth. These differences should be celebrated, instead of being persecuted. Because individualism is such an important aspect of neoliberal discourse, pluralism is also respected in a neoliberal society. That means that, at least ostensibly, multiple voices should be heard in politics, media and other aspects of society. At the same time though, neoliberalism sets limits to that pluralism.

¹ While the IMF has indeed demanded some sort of additional debt relief for Greece, at the moment of writing (Spring 2016), the Greece public debt stood at 185 percent of GDP, higher than at any other point of the crisis even though the debt was partially restructured in 2012. European Commission forecasts that the debt level will start to decline in 2017.

Communality is the antagonistic logic to individualism. Communality focuses on solidarity between people. Communities are more valuable than individuals that form it. What is good for the whole of society overrules the interests of an individual. Through this logic, companies and the whole economy is seen as means to improve the society.

Competition / Cooperation: Phelan talks of *competitive ritual*, which I have simply truncated into *competition*. According to neoliberal discourse, competition drives societies forward. Innovation and investments thrive in a competitive environment, because otherwise people and companies risk of being left behind.

This logic says that people work better when they are competing against each other. Every aspect of life can become a competition: work, relationships, politics, social media, parenting, eating, and exercising.

The logic of cooperation argues that humans are social animals. We work the best together. Rather than competing, we should help each other to reach common goals. This sort of teamwork leads to mutual benefits and makes us less stressed than constant competition, in which the aim is to wipe out the other competitors. Cooperation can also make us more patient, considerate and far-sighted than rapid-fire competition does.

Self-interest / Altruism: Self-interest is supposedly one of the noblest characteristics of a human being, if neoliberal hegemony is to be believed. Looking after ourselves first, means the strongest will thrive while the weakest will be left behind. By that logic, our society will become stronger.

A counter argument to that would be that our societies are always somewhat blind as to what characteristics are actually useful. Shy and socially awkward people tend to be overlooked in the fiercely competitive job markets even though they may have great ideas to contribute. They may be considered weak by the current hyper-social standards, but by ignoring their talent and point-of-view, the society is stagnating.

Not to mention the fact that humanity does not have the greatest track record in taking into account all talents regardless of a person's gender, race, sexuality or physical condition.

Altruistic logic believes in helping people even if there isn't a quick payback in sight. Altruism in a newspaper article might, for example, be about foreign aid. A practical

combination of both altruistic and self-interested logics might be found in an article about climate change, in which a journalist claims that actions are needed in order to safe-guard our environment, economies and future generations.

5.4 Introduction to research material

My research material consists of altogether 80 chosen articles from the Economist and Businessweek: 40 articles per magazine. The articles were published in 2006–2013. I will select articles that were published before the global financial crisis, during the crisis, and after the crisis. The worst years of the Eurozone crisis are also included in the period.

The articles I have chosen have, at minimum, 2,500 characters in them. I have set this limit to guarantee that all chosen articles are long enough to have clear voices and points of view.

Due to the limited scope of this thesis, I could not use all articles that were published during my chosen timeline. That would have taken too much time and would not really serve a purpose anyway, because the quantitative aspect of my research is not very significant. Instead, I selected ten articles per year, five for each title.

I did not want a completely randomized selection, because that could have resulted in articles that have a very narrow point-of-view and not a strong social or economic element to them. For example, book reviews or art and science pages might not give me a clear view into how the hegemonic discourse is present in the magazines. So, I decided that all selected articles have to deal with either politics, economics, or both. This is a logical restriction considering the topic of this research. These are also categories that are present in both magazines.

To avoid bias and add an element of randomization to the data collection, for every year, I selected the articles from the first issues of January, April, July, October, and December. I picked the articles based on headlines. My aim was to get a good mix of business, politics, and macroeconomics stories. The main selection criteria was variety and relation to economic crises. I applied the second criteria sparingly, because I did not

want all articles to deal with the 2007–2009 crisis and its aftermath. My aim is to analyse discourses, which should be visible in many types of articles. The chosen articles could be editorials, but I did not select any opinion pieces written by other than the regular staff. Reviews were also off-limits.

I used the internet archives to access my research material. The Economist has a great database that is free to use for its subscribers. Bloomberg's database mixes Businessweek articles with everyday news at Bloomberg.com, which makes it problematic as a source. Because of that flaw, I used information company EBSCO's magazine database to access the contents of old issues.

The archives are limited in terms of pictures. The Economist website uses pictures often even more sparingly than the print edition. EBSCO archives have black-and-white pdf pages of Businessweek, but the comparability with the Economist is not fair. Thus, I decided to exclude visual elements outside of this analysis. While discourses are also conveyed through pictures or video, text is the main form of expression for both of these magazines. I don't think my research suffers from having a tight focus on just the written text of the articles.

I will now introduce the British and the American business magazines that I've chosen as the material of this research. Neoliberalism was largely triggered by major political shifts in Anglo-American political landscape in the 1970s and 1980s, so it is only fitting to use the most established business magazines of Britain and U.S as my research material.

Some might argue that it would be wiser to choose general newspapers for this study. However, I find that specialized business magazines are a better bellwether of the discursive currents in the world economy. They also often have a better grasp of economic realities. Obviously, business magazines tend to have close relationships with corporate executives and other significant people in the economy. This usually makes them somewhat more prone to support corporate interests than an average daily newspaper does. However, as I have stated before, the likeliest and the most preferable discourse shift would be the kind that would happen *within* capitalism (like most discourse shifts have in the last two hundred years or so in the Western world). This is why changes have to be accepted within the capitalist framework – not just urged by its opponents.

As I have previously showed, significant shifts in the hegemony in the modern world tend to be triggered by economic upheavals. Politics play a role as well, but the root cause for the unease and dissatisfaction among the people are usually economic in nature. This has been especially true for the last two hundred years or so during the era of capitalism and democracy.

Magazines like the Economist and Businessweek are in many ways also resistant to changes in neoliberal hegemony. The free market is something fundamentally important to them. To have significant shifts in the hegemony would require that these mainstream bastions of market fundamentalism would also be willing to at least entertain alternative ways to organize our economies.

The Economist is a rarity in our busy, fluctuating, and experimental media landscape. Its ageless print edition has changed surprisingly little over the decades. Some of the covers from the 1960s, could be easily be used today. The boxed logo on red background has been in use since 1959. While the Economist has invested heavily in a pioneering internet site, the print magazine has had little reason to touch the tried-and-true formula: long-winded but witty walls of text, which tell the reader how they should think about the events of the world.

The Economist has a global circulation of little over 1.4 million. All articles in the magazine are published without bylines, so the names of individual reporters are not shown. This practice is a relic of history but also an interesting gesture of community and shared responsibility from a magazine that is usually backing neoliberal ideals such as individualism and pursuit of fame.

The Economist was founded by British hat maker and politician James Wilson in 1843. Wilson was a liberal, and his magazine was originally intended as a propaganda piece to oppose the Corn Laws (tariffs on imported grain). The magazine, however, continued to live on even after the laws were repealed. It continues to be unabashedly liberal in both economic and personal issues. The magazine tells on its website that it has never abandoned its “commitment to the classical 19th-century Liberal ideas of its founder”. The Economist does not deal only with the issues of business and finance but also with international news, politics, science, technology, and art. The focus, though, is definitely in business and politics.

The Economist calls itself a newspaper (mostly because of tradition, but also because it delivers news, in addition to analysis). For the purpose of this thesis, I will refer to the Economist as a weekly magazine. The print edition is published once a week.

The largest owner of the Economist was for decades the Financial Times, which in turn was owned by Pearson. However, last year Pearson sold the FT to Nikkei. Simultaneously, the FT ended up selling its share of the Economist to an Italian investment company Exor, which is controlled by Agnelli family. The Economist protects its journalistic integrity and independence with a special ownership structure. No individual or a company can own more than 50 percent of total shares or have over 20 percent of voting rights. Many old and current members of the staff own shares of the company.

Businessweek was established only a few weeks before the historic stock market crash of the 1929. It was born during the last few moments of giddy optimism of the 1920s, but showed acumen for the volatile markets from the very beginning. According to Liaquat Ahamed, an author and a former banker, Businessweek emulated Time magazine's formula of "snappy and vivid writing" and adjusted it to the corporate world.

"From the very first issue, the editors expressed their skepticism about the bull market. 'For five years at least,' they wrote, 'American business has been in the grips of an apocalyptic, holy-rolling exaltation over the unparalleled prosperity of the 'new era' upon which we, or it, or somebody has entered.'" (2009, p.171)

Unfortunately, as Ahamed points out, Businessweek was after the crash too quick to declare the bubble fully burst and purged. The Great Depression haunted the U.S. economy for years.

Businessweek was originally aimed at business managers, but has since expanded its scale to all who are interested in what is happening in the economy. Whereas the Economist has a global perspective, Businessweek tends to be somewhat more focused on the United States, especially in terms of the economy. It used to run a thermometer in its every issue, which measured the "temperature" of the U.S. economy (TBN 13.10.2009).

Businessweek has a global circulation of around a million copies. Like the Economist, Businessweek is an opinionated publication. It even advertises itself as "provocative". It aims to improve conditions for businesses and is traditionally quite strongly behind neoliberal ideas – perhaps even more so than the Economist, which has a habit of being

somewhat contrarian every now and then. Businessweek is concentrated on business, technology and economics. It has a narrower range than the Economist.

Financially encumbered Businessweek was bought by a financial media conglomerate Bloomberg in 2009 from McGraw-Hill. The ownership change happened in the middle of my timeline for this research. I will pay attention as to whether that has had any effect on the discursive choices present in the magazine.

The magazine's full name is nowadays Bloomberg Businessweek. Bloomberg was founded by billionaire businessman and politician Michael Bloomberg. He is the former mayor of New York. Michael Bloomberg used to belong to the Republican Party but it is now independent. His run as a mayor started 2002 and ended in December 2013. In other words, he was politically active during the research period of this thesis. The majority of the media company Bloomberg continues to be owned by him.

6 FINDINGS – WHICH LOGICS DOMINATED THE BUSINESS MAGAZINES?

“There are two ways in which economic journalists can influence economic policy: by what they discuss and what they do not discuss.”

This is how top journalists William Keegan (*The Financial Times*) and Rupert Pennan-Rea (*The Economist*) commented the rollercoaster years in the 1960s Britain when the pound sterling kept lapsing back into abyss (Roberts, 2013, p. 254).

Both lamented especially the silence that the press succumbed into during the currency crisis that eventually culminated in the devaluation of the sterling. In this section, I will analyse how the respected business magazines did their reporting before, during, and after the global financial crisis. Reverberations of the collapse are still felt, especially in Europe, which is still wrestling with the aftershocks of its own sovereign debt crisis.

What sort of discursive choices did the magazines’ editorial staff make and do these choices change during the research period? Did the 2007–2009 financial crisis shift discourses in business journalism and how?

I will try to answer these questions in this chapter. In the first subchapter I will lay out the quantitative results of my research. The graphical presentation (Figure 1 and 2) of the data will show which logics dominated during the research period and how they shifted as the crisis unveiled. The full data presentation (Tables 1 and 2) of the results of the studied material can be found in the Appendix section. The chart in the Appendix will show, which logics were present in the chosen articles in each issue of the *Economist* and *Businessweek*.

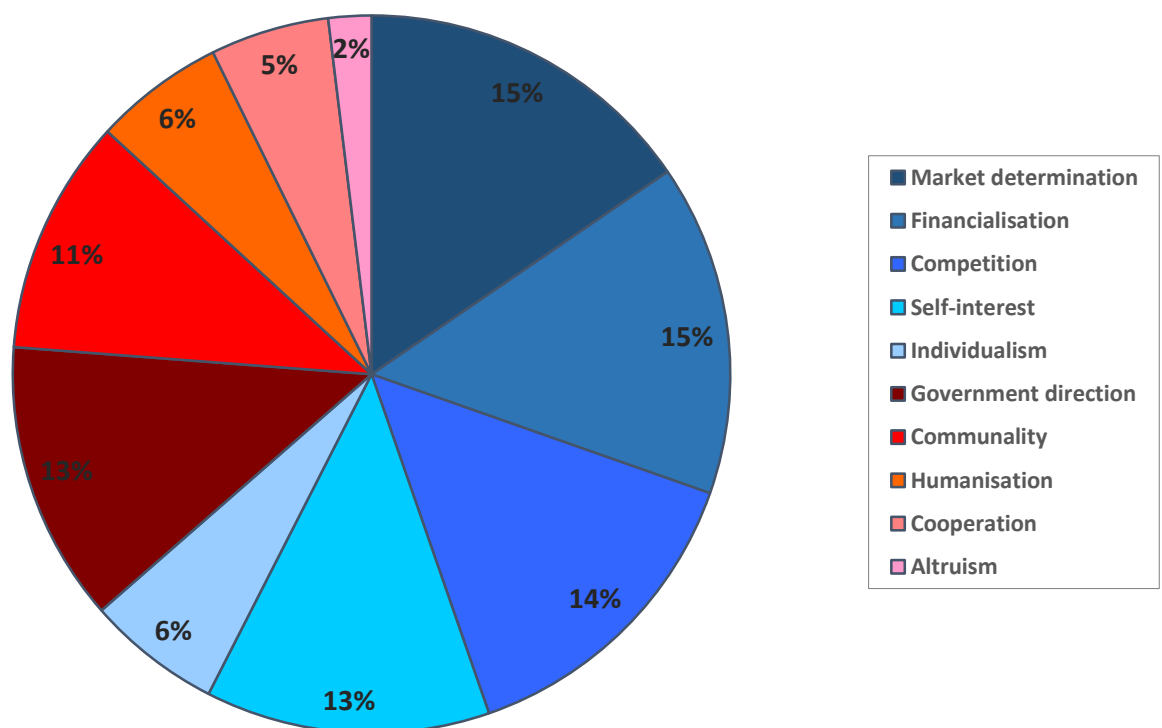
In subchapters 6.2–6.8 I will analyse how the business magazines used discursive logics through several themes that were prevalent in the research material. These themes crystallize how different logics are used in *The Economist* and *Businessweek* in relation to the neoliberal hegemonic discourse and how the use of these logics evolved during the research period.

6.1 Market determination and financialisation dominate

The pie chart below (Figure 1) shows how the logics (blue hues) and counter-logics (red hues) of neoliberalism stacked overall in 2006–2013. Out of all the logics identified from the articles, 63 percent were supportive of the neoliberal hegemonic discourse. While the amount of counter-logics was somewhat larger (Figure2) during and after the crisis than before it, supportive logics remained dominant all the time.

Market determination and financialisation (both 15 percent) were the strongest individual logics present. Both are essential elements of neoliberalism. Absolute, almost religious belief in the infallibility of the free markets has come to define capitalism only since the time of Reagan and Thatcher. Financialisation started around the same time due to the liberalisation of the markets as well as the advances in technology (as explained in depth in Chapter 4). It is no wonder that these two logics dominate the current hegemonic discourse. The third strongest logic, competition (14%), is a typical logic of capitalism of all times.

Figure 1 Logics in Businessweek and the Economist 2006–2013



What is perhaps a little surprising is how strongly present the logic of government direction was in the articles (13%). It was by far the strongest counter-logic and almost equal in size to the largest supporting logics. This is mostly due to the crisis. When something shocking happens, even the supporters of the neoliberal hegemony, are prone to cry the government for help. Government help is not only needed when there is a threat of violence or political disturbance – economic crises trigger the need for government as well.

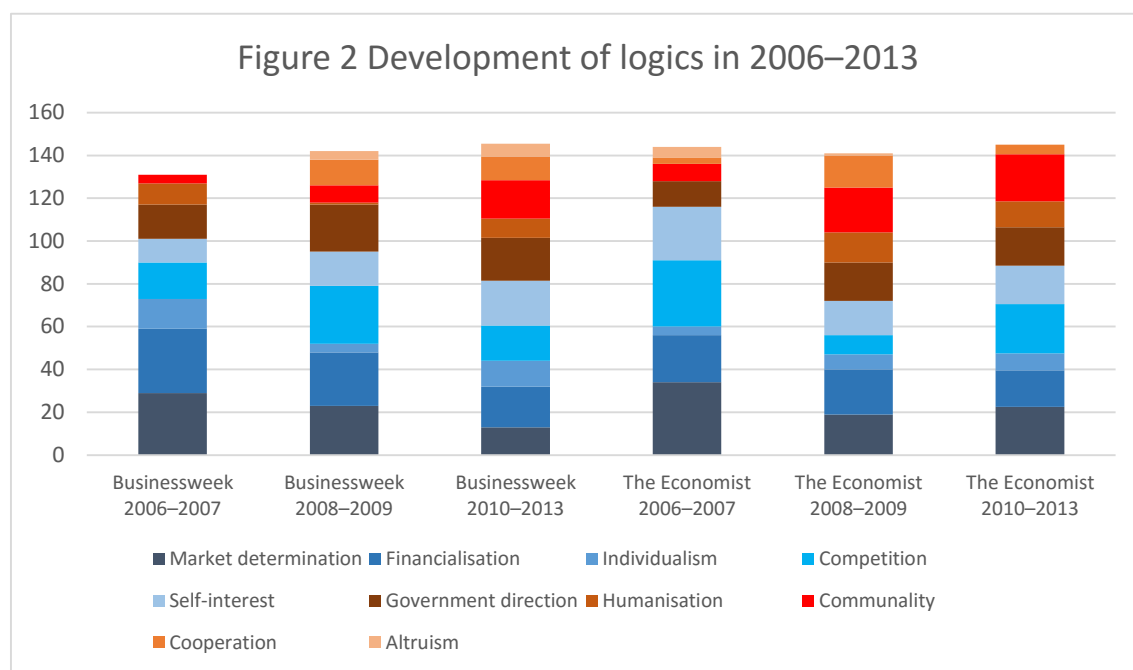
The logic of government direction was already present before the crisis. This implies that even though neoliberal voices often tend to disparage government involvement, public sector still has a large role even in peaceful times in creating the rules for the market to operate, maintaining the social structures, and guiding business interest towards useful goals, such as preventing global warming.

Altruism was clearly the weakest of all counter-logics to neoliberalism. It might indicate that if neoliberalism were to evolve into a new kind of discourse, selflessness would still remain antagonistic to that discourse. Usually, the articles did not even consider the possibility that people, especially politicians, could ever have altruistic motivations. Self-interest, after all, is a staple to capitalism. The problem with this thinking is that it feeds the idea that every decision maker should protect only her own interests and interests of her closest allies. This hinders leaders from taking a long-term view and forming global alliances in order to, for example, prevent tax avoidance.

According to neoliberal ethos, self-interest is the force that guides the invisible hand and organizes our economies. However, there is some indication in this research data, that more government direction and especially communal and global guidance is becoming more acceptable. Especially in the midst of the crisis neither magazine thought that the government should not get involved. On the contrary, they acknowledged that it was necessary for governments to try and fix the distortions in the free market capitalism, even if it meant nationalisations of large financial institutions.

When dividing the research period in three sections, we get to see how the dominant logics developed before, during, and after the financial crisis. The sections are: 2006–2007, 2008–2009, and 2010–2013. The last section has double the amount of articles as the other two. Because of that I have divided the points for that section by two to make it comparable with the others.

Although the crisis started to spread already during 2007 in U.S., the realization of the seriousness of the situation only happened next year. That is also when the crisis became truly global. That is why I've included the year 2007 in the first section.



While the research material is not extensive enough to draw solid conclusions, these results suggest that counter-logics antagonistic to the neoliberal hegemony gained power after the crisis. In Businessweek, the share of counter-logics kept growing even few years after the crisis, while in the Economist the momentum for change gained quickly ground in 2008–2009 but started dying once the immediate danger was over. This may be explained by strong liberal roots of the Economist. The magazine has supported the free market capitalism since 1840s. However, the capitalism has changed its form many times during the lifetime of the Economist. The hegemonic discourse has also transformed several times. It is concerning that the magazine regresses back to the conservative protectionism of neoliberal values, which caused the crisis in the first place.

Both magazines started to talk seriously about the faults in the capitalist system after the crisis. Often the conclusion was that the regulatory changes needed would be mostly negligible and that the free markets still maintained their magical self-corrective powers. Still, the crisis started a broad conversation, which has had an undermining effect

for the current hegemony. The public discussion has certainly nudged societies closer to a discourse shift.

Overall though, the business magazines are in a state of confusion. At the peak of the crisis, both Businessweek and the Economist were demanding strong government actions (e.g. BW 1.12.2008 & Economist 4.10.2008). After the crisis, cries for government involvement abated and were replaced by confusion. Was the crisis significant after all? Should anything change? Businessweek even called the crisis “cosmic confusion” and “epic abnormality”.

It is easy to shrug major economic quakes as freak abnormalities or worse – natural part of capitalism. Both ways of thinking result in passivity – there is nothing we can do. This apparent lack of optionality is what politicians often cite when they succumb to more fiscal austerity, for example. This seems to become the mainstream way of thinking. It is difficult for business magazines to commit to the idea that there is something wrong with the system and the way we think. There are some slight signs of a possible discourse shift in the articles, but the likeliest outcome is that we are “set for a dramatic return to traditional patterns”, as Businessweek put it (5.10.2009). We may have to endure another crisis, before the mistakes in the current hegemony will be properly addressed.

6.2 Help us, government! – But only in a crisis

After the crisis struck and the financial markets were in danger of collapsing, there was only one sufficiently powerful actor to turn to for help – the government. It is remarkable how both the Economist and Businessweek wrote about government assistance during the peak of the crisis as something obvious, necessary, and inevitable. They did not offer any other options. There was a glitch in the capitalism so, of course, the state would have to save the day – otherwise the free market system would be doomed.

There was little consideration to the fact that this cry for help was in baffling contradiction with the usual logic of market determination. Both Businessweek and the Economist even worried aloud that governments might not do enough to save the world economy – partly because of the strong free markets ideology, which made it very difficult

for the politicians to commit to large bailout packages. Especially Europe and U.S. had grown used to the idea that companies and banks should operate alone without government interference. Now these business magazines were urging governments to abandon the very ideology that was the basis of their journalism.

“BusinessWeek estimates that governments around the world have committed more than \$2.6 trillion for bank bailouts and other efforts to spur growth. But even that may not be enough.--The bad news is that government responses do not yet match the scale of the crisis. -- In the end, a synchronized recession will require synchronized stimuli.”(BW 1.12.2008)

The Economist was equally enthusiastic for government involvement, but unlike Businessweek, it insisted that bailouts would be completely in line with the magazine’s market liberal ideology:

“Financial markets need governments to set rules for them; and when markets fail, governments are often best placed to get them going again. That's pragmatism, not socialism.” (4.10.2008)

The problem is that the possibility of the financial markets failing as spectacularly as they did in 2008 possibly never even occurred to neoliberal business journalists before the crisis. The only time business magazines actually badger governments to set stricter rules for the markets, is in time of a crisis – after the accident has already happened. Once the storm has calmed, it is easy for the journalists to retreat back to support the old hegemony. This is how the Economist wrote about “attacks on bankers” in Europe and especially Britain in 2012.

“Attacks on bankers by protesters from Occupy Wall Street, Occupy London and Occupy any city where a financier might have the temerity to turn a quick buck have spiced up the dreary economic news of the past year.-- Even the bankers' supposed allies are putting the boot in—and nowhere more so than in Britain. The prime minister, David Cameron, has promised to ‘end excess’ in the City of London.” (7.1.2012)

The article was titled *Save the City*, the City being the financial centre of London. Apparently 2008 had become such a distant memory that a right-wing pro-business prime minister tackling the excess of the financial markets was suddenly a traitorous “supposed” ally. Less than three years earlier the magazine had admitted that “undeserving rich” had “undermined” capitalism by fattening their financial institutions so huge that taxpayers had to save them in crisis. The Economist called this “socialism for the wealthy” (4.4.2009).

Back in 2008, the magazine even blamed politicians for inaction: “policymakers, and the public they serve, have failed fully to grasp the breadth and depth of the crisis.” Few years later when political leaders tried to make sure that similar crisis would never happen again, the magazine was back protecting the hegemony. It blamed European leaders of “hypocrisy” and “self-interest” for having the temerity to try to regulate the markets. No doubt the public anger played its part in encouraging politicians to and reign in, for example, executive bonuses. But why had self-interest suddenly become a vice? After all the logic of self-interest is essential to the neoliberal hegemony. It is the benevolent force that guides the markets. Is it bad for politics? In big doses, yes, but you can’t have it both ways. It is a little contradictory that the magazine defends bankers’ right to be selfish by demanding politicians to be less so. The logic of self-interest is something that permeates the whole society. You cannot just turn it off in some sections and on in others. Discourses don’t work like that. They are all-encompassing cultural and social forces that affect our thoughts and actions.

The Economist was also not consistent with its message. This is understandable. Even though the magazine does not use bylines, the articles are written by different journalists. Of course the stance in relation to the neoliberal discourse is going to vary in different articles. Still, it is interesting how the Economist kept bringing up the shortcomings of the regulators whenever a new twist in the crisis of capitalism was brought up. A little later, the magazine would again warn the government from intervening. When the so-called LIBOR scandal¹ was soiling the reputation of the financial markets, the Economist was chastising the regulators for having been asleep.

“Regulators around the world have woken up, however belatedly, to the possibility that these vital markets may have been rigged by a large number of banks.” (7.7.2012)

The article was titled with surprising venom *The rotten heart of finance*. While the regulators and the bankers themselves carry the most responsibility when something in the

¹ LIBOR is short for London inter-bank offered rate. Libor rates are supposed to be averages of the rates that banks would use when loaning to each other for different periods. The rate is used as a reference to many loans, including mortgages. The LIBOR scandal is a series of accusations towards big banks for manipulating the rate. Several banks were fined because of the incident.

financial markets goes awry, media also has a role to play. It does not help, if the most respected business magazines only want reforms during the crisis. The work towards better capitalism should continue after the first aid has been applied.

So far the free markets continue to operate with some minor adjustments to the regulatory framework. The Economist had very little reason to worry over the position of the City. It remains the busiest financial centre in the world. Investors around the world also know now that, if things get really hairy, the markets always have the safety net of the government to fall into.

Free markets only operate independently when it comes to profits. Significant losses on the other hand are pushed for the politicians and tax payers to deal with. This mechanism was tested during the crisis. The exception was the bankruptcy of Lehman Brothers, but considering the panic that caused, it is unlikely that any government would dare to let another significant financial institution fall again. While some of the new rules force investors to absorb losses, the too-big-to-fail problem still exists. Besides, the new “bail-in” rules are not tested in a crisis environment.

Some changes in the neoliberal discourse have already happened. The financial crisis clearly banished the fear of stimulus from U.S. Both Keynesian and monetary stimulus have become more or less accepted mainstream policies in American landscape after the financial markets almost collapsed. However, these shifts are not very observable in Europe. The fractious EU has perhaps even greater difficulties at reforming legislation than the US congress does. The conservative and inflation-wary Germany has the last word in Europe. It is fond of austerity in fiscal policy, and it also has vested interest in protecting Frankfurt as a financial hub. The logic of self-interest is hard to beat.

European governments, especially Germany, have grudgingly come to accept loose monetary policy of ECB. But when it comes to fiscal policy, austerity is still the *modus operandi*. When Businessweek, an American magazine, reports on Europe’s troubles, it is clearly baffled at the penny-pinching economic policies that are applied in most places. In a bluntly titled article *To Europe's Thrifty, Austerity Is Just Unfair* (2.4.2012), Businessweek wonders why all areas in Europe have to suffer from penny-pinching public policies. Businessweek also takes a clear stance on Greece (3.12.2012): “Greek government debt burden -- remains unbearable under any reasonable scenario.” The

magazine suggests a significant write down of Greece's debt. This was after the restructuring of 2012.

The Economist has a better understanding of the realities in Europe, but it too considers harsh austerity dangerous to European economies and supported debt relief widely to all troubled countries in the midst of the sovereign debt crisis.

“The trouble is that if bond yields stay high, Europe's rescue strategy is doomed. Weaker countries' debt burdens will need to be eased.” (4.12.2010)

This strong anti-austerity stance is common among business journalists. Especially in Europe austere fiscal policies during recessions are usually associated with right-wing politicians while the left tends to support fiscal stimulus such as public infrastructure projects. Most business magazines and newspapers have also shown great sympathy to Greek troubles and urged other EU countries to restructure its debt. Again, in European political circles, this would be a leftist stance.

This peculiarity is more of an aberration of European politics, not so much journalism. Keynesian measures in Europe tend to be categorised as left-wing, although Keynes himself belonged to the British Liberal Party, was a staunch opponent of Marxism, and was associated with the high society. The business magazines are more accepting of Keynes' views and do not consider them utterly contradictory with, for example, Milton Friedman. It is also a rather capitalist idea, that a sovereign state could declare a bankruptcy and file for a debt restructuring. Anne Krueger, the former chief economist for World Bank, is a long proponent of this. At the moment, there are no internationally agreed bankruptcy procedures for sovereign nations.

Thus it makes sense for the business magazines to support economic stimulus during a recession and suggest debt relief to overburdened countries. These policies can easily be considered part of capitalism. They are, however, somewhat contradictory to the neoliberal hegemony, which prefers the logic of market determinism and opposes government direction and international regulation. In any case, I would consider the supportive articles for debt relief and stimulus a weak sign of a discourse shift – at best.

Besides, Businessweek starts to retract its support to Keynesian economic policies after the worst crisis has passed. In an article titled *Who Would Bet Against John Paulson?* (5.7.2010) the magazine sets neo-Keynesian economist Paul Krugman against hedge-

fund manager John Paulson. Krugman wanted the government to commit more to economic stimulus, while Paulson believed the housing market was picking up and the economy was going to be fine without extra support (neither was completely right).

Businessweek sided mostly with Paulson for a very neoliberal reason: he is “a profit seeker, pure and simple”. Paulson is one of the speculators who bet against the market during the housing bubble. He got Goldman Sachs craft some credit default swaps for him, and he won big. Because Paulson’s gamble was successful and because he plays with “real money”, Businessweek considers him a respectable source – even a role model. Once again, the logic of market determinism is showing its overwhelming power. The condition of the economy is reduced to a gamble.

“The debate over the economy can be thought of as a trade--Paulson taking one side, Krugman the other. Paulson's got real money on the table, but for both men, the main risk is reputational. Is Paulson another Wall Street one-hit wonder? Is Krugman another too-smart-for-his-own-good academic with no feel for animal spirits? Paulson may have an edge because he is just playing the market. Krugman is playing history, which is quite a bit trickier.”

6.3 The greedy and corrupt get almost rejected

There is one thing that both the Economist and Businessweek usually reject: excessive greed. Corruption and reckless speculation are not an automatic part of capitalism. They are seen as faults, not as natural part of the free market system. The Economist acknowledges that the system is at least somewhat rigged.

“--even a newspaper as inherently pro-business as this one has to admit that there was something rotten in finance: the basic capitalist bargain, under which genuine risktakers are allowed to garner huge rewards, seems a poor one if taxpayers are landed with a huge bill for it all.” (4.4.2009)

The magazine even points out that, historically speaking, rising inequality has led to reform. The Economist writes that it is part of the “genius of capitalism” to adjust to disruption even when it comes from within the system. This is the most direct allusion to a discourse shift that the Economist makes. Yet, the magazine fails to offer much suggestions as to how to reform capitalism. It appears that it would prefer to just add a couple of bandages to cover up the wounds.

Right after the bankruptcy filing of Lehman Brothers, Businessweek treated the increasingly global crisis as something that was purely the fault of Wall Street. It talked about “the hubris of Wall Street wizards” and “Wall Street’s comeuppance”, which “has wiped out billions of dollars of wealth in stock markets around the world” (6.10.2008). The world had no choice but to grapple with the irresponsibility of bankers or “the fall-out from Wall Street’s shenanigans”, as Businessweek put it.

The magazine clearly framed the crisis as less of a system failure and more of a problem of excess. While Businessweek did clamour for more government guidance and cooperation in this time of catastrophe, this was only temporary. The real issue, according to Businessweek, was too much short-term ambition and greed among the workers of financial industry, specifically on Wall Street. And the crisis was a “sobering” event.

At the same time, the magazine writes is concerned about “the attitudes of future masters of the universe” – not because the new generation of bankers might repeat the events that led to the crisis – but because they might do it somewhere else, notably in China.

“America’s extraordinary ability to attract the smartest people in the world could be eroded if the globe’s overachievers decide that the center of the universe is no longer Manhattan.” (BW 6.10.2008)

This is the return to the good old logic of competition. There is a sense of regret and realization that the system broke down, at least temporarily. However, the magazine struggles to think outside the same hegemonic discourse it has been operating in for four decades. Instead of thinking how to shape the global financial markets so that they would actually serve the societies, the magazine worries that now that the risk taking is out of fashion in U.S., the party will move somewhere else. Well, it didn’t take long for the party to continue on Wall Street again. Businessweek’s worries were quite misplaced.

In a provocatively titled article *The rich under attack*, the Economist (4.4.2009) wonders the hostility that the rich have had to endure after the financial collapse. The magazine categorises this anger as “populist”:

“The rich are certainly not the only targets in the current populist backlash. Frightened by the downturn, people are furious with politicians, central bankers and immigrants. But a rising wave of anger is directed against the

new “malefactors of great wealth”. Today's villains are a larger and more global bunch than the handful of American robber barons Teddy Roosevelt denounced a century ago; and most of them are bankers and fund managers, rather than owners of trusts and railroads.”

Fast-forward six years. All top executives of financial institutions survived the crisis without criminal charges. Central banks have tried to stimulate economies with massive bond-buying programs, which has ended up mostly just elevating stock prices. Globally, wealth has kept accumulating into the hands of a small percentage of super-rich. Politicians have not done any significant income transfers from rich to poor, which the Economist was so worried about. While there have been some efforts to curb excessive bonuses, taxation reforms are hardly ever used to decrease inequality. Tax havens are still wildly utilized, although in this particular area, there is a growing pressure for change.

Yet, in 2009 the Economist kept on flippantly believing that “the system is already beginning to correct itself”. This is the logic of market determination working at its strongest.

“--the rich are not as rich as they were: some \$10 trillion, around a quarter of the wealthy's assets, has been lost. Inequality will decline. Investment banks and hedge funds are shrinking; private-equity groups are struggling to finance takeovers.”

Yet the prediction rings hollow today. Yes, the catastrophe of 2008 wiped out a large portion of wealth due to the stock market crash. However, the losses were quickly recovered, and the rich kept becoming richer. Oxfam's figures show that the wealth is increasingly concentrating to the richest slice of the population. After the turn of the millennium, the poorest half of the world's population has received one percent of the total increase in global wealth. Half of the increase has gone to the top one percent (according to Oxfam's 2016 report).

The largest investment banks have gotten even bigger since the crisis, not smaller, as the Economist predicted (CNBC 5.5.2015). Commercial banks have also kept growing

at least in U.S., measured in total assets. At the same time, the amount of banks has been shrinking because of consolidation, the statistics of FDIC¹ show.

No, the system did not correct itself. The media's role is to point out the faults, offer suggestions, and add pressure to decision makers to act. The Economist correctly identified many of the problems, but no magazine should claim that the system is going to just magically heal itself. This sort of blind belief in the omniscience of the invisible hand is exactly what got us into trouble in the first place. It should surprise no one that the system reverted largely back to the old ways soon after the crisis. After all, new ways were never implemented. While some cosmetic changes made the cut, the only big change has been the huge role that the central banks have taken as the guardians of the world economy.

To be fair, while the Economist did place the largest emphasis on the self-corrective powers of the markets, it did also admit that waiting is not enough. The magazine suggested some new regulation and careful tax raises, but not right away, because the economies needed stimulus. While the point is fair, tax raises are incredibly difficult after the momentum is gone. Also, the poor and the middle-class could have easily been spared from the tax raises just by making the tax progressivity steeper or by eliminating some of the most popular deductions among the wealthy. This way most of the buying power of consumers would have been spared.

There is a palpable resistance in both the Economist and Businessweek against the theory that the rising inequality exacerbated the crisis. Economists Barry Cynamon and Steven Fazzari have argued that the income inequality in U.S., which has been widening since the 1980s, drove the bottom 95 percent of income earners to tank up debt in order to maintain their standard of living. The debt-income ratio for the bottom 95 percent rose radically before the crisis (not so for the top 5 percent). After the crisis, the borrowing tightened and the poorest 95 percent had to cut their consumption habits. This has

¹ Federal Deposit Insurance Corporation, a U.S government agency

led to demand shortage and postponed the recovery. If the wealth concentration continues, it can even pose a threat to capitalism altogether, not just the neoliberal hegemony.

Cynamon and Fazzari urge decision makers to pay attention to the inequality when designing their economic policies.

“A first step toward resolving the problem is to have a clear understanding that rising inequality goes beyond the issue of social justice. The evidence and interpretations offered here argue that greater inequality also compromises the demand engine that was necessary for acceptable macroeconomic results in the US prior to the Great Recession, and greater inequality threatens demand growth and employment going forward.” (2014, p. 31)

The Economist actually acknowledges their findings (7.12.2013), but in the end brushes them off as unconvincing. Instead, the magazine defaults to the usual explanation of nothing-new-under-the-sun:

“Secular stagnation may someday prove a problem. The rich world’s current headaches, however, look more like a nasty hangover.”

This is a comforting thought for those who still cling to the logic of market determinism as infallible or, at least, self-corrective. However, there is a risk that the mainstream business magazines are inciting another crisis by stubbornly supporting the aging hegemony of neoliberalism and refusing to offer reasonable improvements to capitalism. Still, it is a positive sign that the Economist took time to seriously consider the theory of secular stagnation and the causes of it. It is unfortunate that the self-proclaimed liberal magazine decided to stick with the most conservative view.

6.4 The brighter side of capitalism

The Economist takes the altruism of billionaires seriously and does not resort to mocking their efforts to do some good with the vast fortunes they have amassed. The magazine points out, that well-managed private donations can greatly improve societies.

Rockefeller raised the quality of training doctors in America and found a vaccine for yellow fever. It also drove the “green revolution” in agriculture that ended famine in much of the world and, by some estimates, saved 1.5 billion lives—exactly the sort of impact that the Gateses hope to achieve. (1.7.2006)

What the magazine doesn't bring up is, why these same philanthropists usually take advantage of best lawyers to minimize their personal taxes. Taxes would after all go to improve the society without the need to establish separate foundations. It is possible, even likely, that the best private organizations are better, more cost-effective, and quicker at utilizing their resources than the government, but even the Economist writes that "billions of dollars have been squandered over the years by philanthropists". There is clearly a large slice of philanthropy that is mostly done for show and that cannot to be categorized under the logic of altruism.

Sometimes philanthropic organisations are even established for tax reasons. The second largest charitable foundation is Stichting Ingka Foundation, which owns the Swedish furniture giant Ikea. As the Economist scathingly retorts, this Dutch front foundation is "ostensibly dedicated to furthering the modest cause of architecture and interior design¹".

"The Gates Foundation's ambitions are not only more altruistic, but also differ from most other foundations in their scope, which includes eradicating disease and poverty in developing countries."

The magazine acknowledges that money itself is not a goal in life, but a tool that can be used in the betterment of the society. Gates has essentially made philanthropy into his new profession and runs one of the most effective organizations out there. He and his wife Belinda Gates have mixed the logics of altruism, communality and market determination relatively successfully. This same mix is present in the article, where the Economist ponders how altruism could be improved by using the best lessons from the business world to make charitable deeds more effective. After all, altruism is just one logic among the others. It is not inherently good, and it can be used in wasteful ways.

"Thanks to Mr Gates, it [his foundation] has become known as one of the leading practitioners of 'philanthrocapitalism', an approach that draws on modern business practices and an entrepreneurial spirit to get more from its money."

¹ To be fair, the foundation has lately expanded its operation to genuine charitable work in the developing countries. So it is no longer just a tax-wise conveniently located piece of the complicated conglomerate structure of Ikea (although it continues to be that too).

There is definitely a touch of financialisation in the article as well: even philanthropy should adhere to the rules of how much value you get per dollar. In neoliberalism, there are price tags and earnings expectations for everything – even for money you want to give away. Still, the article remembers to underline that in charity the end results are not measured in money but in other meters, which may not be easy to track. The article is one example how logics and counter-logics of neoliberalism do not have to interact antagonistically. Instead a different balance of these logics could create a more socially responsible form of capitalism – a new hegemonic discourse.

As the articles showed, it is also common, even for pro-business magazines, to support strong government interventions in developing countries. The anti-government stance is only strong within Western democracies. For example, Businessweek worries that corporations are becoming “new colonialists” in Africa (7.12.2009). The Economist also prioritizes political stability and human rights over economic performance in Africa. Social goals are more acceptable in poor economies, whereas in rich economies profit hunting usually comes first. Or to be precise, both magazines acknowledge that certain standard of living and adequate social order must be achieved before the free markets can operate fairly. The Economist bluntly calls the most corrupted African countries “kleptocracies” and is afraid that the promising economic development might get stunted because of “noxious” politics (3.12.2011):

“Most Africans live on less than two dollars a day. Food production per person has slumped since independence in the 1960s. The average lifespan in some countries is under 50. Drought and famine persist. The climate is worsening, with deforestation and desertification still on the march.”

The logic of communality strengthens when Western business magazines write about developing countries. The emphasis on competition remains, and the Economist writes about Africa’s rise in terms of economic growth, but it credits this growth on many countries getting “a taste of peace and decent government”. It is very rare for pro-business publications to show much appreciation to competent public sector governance.

Yet with emerging economies, the Economist quite directly admits that the market economy cannot operate without stable government. Without government there are no property rights, no comprehensive infrastructure network, no contractual obligations, no peaceful business environment, no reliable currency, and no trust in business partners. This same logic of communality tends to take a back seat when these magazines write

about their home turf in Europe or North America. Yet it is the relatively reliable political systems that have allowed the free market capitalism to be born.

6.5 Politics as the enemy

Often political process is painted as the enemy in neoliberal discourse. Politics is described as something incompetent, meddling, messy, and quarrelsome. It is seemingly the very opposite of the elegance of free markets, which automatically arrive at the right conclusions as long as people are driven by their self-interest and the spirit of competition.

This hostility towards politics is sprinkled all around in articles. Pension funds are mired in “a political dogfight” and have more difficulties to make wise investment decisions because “they have an added dimension of ugliness to deal with: politics” (BW 5.10.2009). Politicians are “squabbling” and “short-sighted” and in need of steering by the business community, but the corporate executives avoid involvement because they don’t want to be “tarnished by politics” (BW 7.1.2013).

The Economist attacked especially harshly against French politics, which were “paleo-socialist” and led by “the stale mainstream political class” (1.4.2006). This attack was before the crisis, during centre-right politician Jacques Chirac’s presidency. According to the Economist, Prime Minister Dominique de Villepin (also pro-business and right-wing) had “scarcely demonstrated an embrace of open markets” – a crime against the neoliberal hegemony and the logic of market determination.

Even in the midst of the crisis (4.0.2008) the Economist insists that “those politicians who set the interests of Main Street against those of Wall Street are so wrong”. There was no thought given at the time, that perhaps the Wall Street speculators, who had endangered the whole global economy, were the ones who had set their interests against the rest of the world. Yet, politics remains the dirty game and finance just follows the pure logics of market determinism and self-interest.

Businessweek almost ridicules philanthropist investor Nicolas Berggruen for his efforts to get involved with something as tainted and difficult as politics (1.10.2012). Berggruen is described as a homeless billionaire playboy, who stays in five star hotels and travels in a private jet. He lives a gilded life, but wants also to be “taken seriously as an intellectual”, as Businessweek puts it.

“Berggruen will need more than money, charm, and the right names for his think tanks to save the world. His transformation from pleasure seeker to policy guy is a work in progress. Some of his ideas are not exactly made for prime time. For instance, he argues there's much that Western democracies can learn from autocracies such as Singapore. As he puts it admiringly, the political leaders there really know how to get things done.”

Instead of exploring his ideas, the magazine next describes how the wannabe-politician wants to steal a french-fry from the reporter's plate. The story ends mockingly, when Berggruen receives a party invitation on his iPhone.

“It's an awkward moment for a guy who wants to be taken seriously. ‘Well, I won't go,’ he says. ‘I can't go.’”

The article holds onto the traditional logics of individualism and self-interest, even though the interviewee himself clearly would like to break from these. He wants more cooperation in Europe and tries to fight for the wavering European Union. He wants to ease German and French power grip over the European policy and increase democracy. All valid and interesting goals, but only mentioned in passing. The logics of cooperation and communality are present in the message Berggruen tries to convey, but the neoliberal hegemony muddles it – a billionaire should stick to his board meetings and parties.

In another article, Businessweek fairly brings up how national politicking can simply shove miseries from one country to another. The magazine berates the global auto industry, which “indulged in a global orgy of factory-building” before the 2008 collapse (12.1.2009). While it puts most of the blame on the car companies, it treats governments as meddling factor in this equation:

“Many Western European governments are giving their carmakers financial assistance, but there's a catch. They get the money only if they don't close plants at home. Since the likes of Volkswagen and Renault-Nissan don't want to shut new, low-cost plants in the east, they're eyeing cuts in places like Spain, Portugal, and Italy where there is less political pressure, says Jim Schmidt, a vice-president at Oliver Wyman.”

This is fair criticism. Often pressures of economic downturn force companies to downsize. It is not very effective, if national politics drive companies to cut jobs from factories that might actually be more productive than the ones that are located in politically sensitive places. However, this just shows that the logic of competition very much operates in the relationships of nations as well as corporations. While the logic of competition can be very useful in business as a driver for innovation, too much competition in international politics can become a hindrance.

Almost all articles that deal with international politics, frame the relationships as competing ones. Cooperation is a rare premise even though we live in a globalized world.

This is logic of competition is applied to growing African countries (BW 3.12.2011 and Economist 3.12.2012), Ireland's economic model (BW 7.4.2008), to the relationship of China, South Korea, and Japan (Economist 3.4.2010) and so on. This is how the Economist writes about the Asian completion:

“Japan looks on aghast as the chaebol catch up with more of its large firms. ‘Of all their competitors on the global stage, the Japanese fear the South Koreans most,’ writes Mark Anderson, author of Strategic News Service, a technology newsletter.”

It is extremely common for journalists to set countries against each other. Especially we business journalists are guilty of that constantly. But it does not justify it. In fact, the prevalence of feeding the competitive attitudes of countries might be one of the reasons why our politicians are so reluctant to do large international deals and why the rare deals get so watered down.

The journalists complain when politicians fail to make decisions globally in big events such as at the failed Copenhagen climate summit. During the Copenhagen summit, the Economist underlined that politicians were the only ones who could prevent dangerous warming of our planet (5.12.2009). According to the magazine, technologically and economically dramatic climate change could be prevented, but what was lacking was political will:

“The leaders gathering in Copenhagen need to come to an agreement, even if it isn't a very good one. But that will only be the start. The national policies used to implement cuts need to be more efficient than the ones that are so far in place. That requires leadership from the politicians, and support from the voters. The world is, in the end, in their hands.”

This meeting was a fiasco, and the decision makers were only able to scrape together a diluted deal in Paris six years later. In situations like these, the logic of competition is operating at its worst, pitting countries against each other. Politicians are scared that when they come home, they might be crucified by the press if the deal is too lenient or beneficial to the “competing nation”. The logic of cooperation is often absent in articles, which are discussing international relations or trade.

6.6 Acceptable firefighters

Interestingly, within neoliberal discourse, central banks seem to be far more acceptable public institutions than other aspects of government. This is the reason why logics of government direction and market determinism can be simultaneously present in the same article. Central banks are treated as non-governmental organisations, almost like forces of nature, which are an inseparable part of the global economy. Libertarians often oppose central banks, but, to mainstream business magazines, these lenders of last resort are necessary organisations within free markets and agents of monetarism.

It is remarkable, how the logic of government direction is accepted as a natural part of neoliberal discourse – as long as it only includes central banking. Central banks are regulative public institutions. Their goal is to prevent the markets from overheating or underperforming. Central banks have inflation targets and, in the case of the Fed, even underemployment targets. They are (usually) independent public institutions that nevertheless exist within governments. Yet, the vitriol that is usually aimed at government interference, is rarely aimed at central banks. Before the crisis, *Businessweek* talks about the Fed’s intentions like a weather forecast:

“- - the Fed thinks the economy is near the point where the labor markets and production facilities will begin to strain to keep up with demand. That could cause the economy to overheat, putting excessive steam behind wages and prices.” (BW 9.1.2006)

The magazine only rarely mentioned the chairman Alan Greenspan or his then upcoming successor Ben Bernanke. The Fed was just an impersonal phenomenon that had nothing to do with reviled politics, even though the Fed is in charge with monetary *pol-*

icy. During last few years, central banking has grown more personified, and much attention has been given to Janet Yellen of the Fed, Mario Draghi of ECB, Haruhiko Kuroda of Bank of Japan, and Mark Carney of Bank of England – largely because their power has greatly grown due to the Great Recession.

There is a juxtaposition between the market actors and the Fed, but again, it is like a relationship fishermen have with a sea – in the end, investors just have to adapt to the Fed's decisions whatever they are:

“If those trends continue, which looks likely, then investors stand a good chance of adding to their 2006 gains without fear that the Fed will spoil the party.” (BW 1.1.2007)

This sort of inevitability is not present in the articles that are discussing about the legislative actions done by the Congress. That being said, central banking was just one deciding factor of the weather forecast. The other side was the markets itself. Before the crisis, the Economist put more weight to the wisdom of the free market.

“-- inversions may be a measure of the Fed's ignorance. The bond market may know something the central bankers don't. Long-term rates may be subdued, because the market anticipates a recession that will eventually force the Fed to loosen monetary policy.” (7.1.2006)

As the crisis kept turning into an ever darker nightmare, the Fed became the lighthouse in the darkness. Same happened to ECB during the sovereign debt crisis in Europe. But again central banking continued to be viewed as something non-political and unavoidable.

“New rules became inevitable the moment the Federal Reserve rescued Bear Stearns and pledged to lend to other Wall Street banks.” (Economist, 8.4.2008)

While the central banks are acceptable firefighters in the eyes of business media, they are also conveniently vague scapegoats when the market gets chaotic. Before the Lehman climax of the crisis, the Economist put part of the onus on central banks, particularly the Fed.

“Finance was not solely to blame for the crisis. Lax monetary policy also played a starring role. Low interest rates boosted the prices of assets, especially of housing, which in turn fed into complex debt securities.” (8.4.2008)

To be fair, the Fed likely did contribute to the housing bubble with lousy policy choices. However, what does this tell about the free markets? Are investors really just Pavlov's dogs reacting to every bell and whistle of the Fed? Is the logic of market determination just an illusion, a sham?

To some extent, yes. It may very well be that central banks have a much larger role in the creation of the market environment than has been previously acknowledged in media. This role is not diminishing. On the contrary, it has been quickly expanding after the financial crisis, because the politicians have mostly failed at making structural changes or even just advancing fiscal policies that would help to support the economy.

The responsibility of the economy has been largely shoved on the shoulders of unelected central bank officials – not because they asked for it but because nobody else was willing to accept the task. It is mostly the combination of free market actors and the monetary policy of central banks that drive the world economy at the moment. The power of central banks in the world economy and within the hegemonic discourse would definitely deserve its own separate study.

6.7 Biology in capitalism

It is typical for both magazines to liken the world economy into a weather phenomenon or a biological organism. This enhances the logic of market determinism. After all, we cannot really control the weather. It also undermines our motivation to act in order to improve our economic system: Why bother trying to fix something that has natural self-healing abilities? According to the Economist, capitalism is able to “adjust” and “correct itself”. If something goes wrong, something is “rotten” – and those parts can be easily be disposed of.

This way of thinking is erroneous. Capitalism is not a biological organism. It is an artificial system, which we created to organize our economies. It does not adapt automatically to changes and it is not self-corrective. It changes when the people participating in the world economy change, when the legislation is altered by politicians, and when the technology allows new ways to do business. If something about capitalism is working badly, it has to be fixed actively by the cooperation of governments and businesses.

Yes, the markets are composed of billions of people taking part in the world economy usually pursuing a better quality of life to themselves and their families. But that does not make capitalism a predictable and reliable system. Because the global market is composed of people, it is prone to panics, depression, overreactions, and other mood swings. In other words, this human creation is just as unpredictable as humanity itself. In addition to that, technological advancements have revolutionized our consumption habits, forms of production, and possibilities of trade. The variables are huge, and public policies are needed to prevent excesses or other distortions in the complex system.

Even companies themselves are often thought as biological organisms that born, grow, and die naturally, instead of being an organized group of people who have decided to come together to pool their resources and talent together in order to produce chosen products or services.

“The four giants of the internet age – Google, Apple, Facebook and Amazon – are extraordinary creatures. Never before has the world seen firms grow so fast or spread their tentacles so widely.” (1.12.2012)

By treating the economy as a natural phenomenon, media obscures who actually has the responsibility of wrong doings or accidents that companies might cause. British oil company BP was largely responsible of 2010 Deepwater Horizon oil spill. Yet, Businessweek writes admiringly how the company has “even resumed exploration in the deep waters of the Gulf” (4.4.2011). According to the magazine, BP has shown that it has “the financial flexibility to weather most storms”. Yet, the company did not weather “a storm”, it caused one of the largest oil spills in history.

The biologicalisation of the economy is especially concerning when financing it is treated as a game. Business magazines give us a picture of the economy, which is an uncontrollable natural organism, which is simultaneously a boisterous gambling party.

For example, Businessweek describes China’s housing markets as a “real estate fever”, “rush”, and a “frenzy” (11.1.2010). “Newly wealthy towns are playing the game with a vengeance”, the magazine writes. The article does warn about the bubble but like usually in business magazine and says that “the worst scenario is that the central authorities let the party go on too long”.

There is an unfortunate inevitability about financial crises: Bubbles are natural and it is okay to celebrate during them – just be sure to get your money out early enough. Bubbles, however, should not be an automatic outcome of capitalism and they certainly should not be treated as a game considering how much damage they can cause to people who never even participate in the “party”.

6.8 Everything is for sale

Financialisation is, along with market determination, the strongest logic in the neoliberal hegemonic discourse. This includes commodification of everything ranging from common grocery store goods to emotions, relationships, and politics. The second stage of financialisation is securitising these newly-minted commodities. Once they are securitised, you can trade them digitally and speculate with their prices.

Businessweek (3.7.2006) writes about empathy training, which apparently helps sales men and women to identify with their customers and hence sell more products. These “empathy consultants” have made emotions into a business. The magazine, true to the logic of financialisation, is interested in the profitability of this new business and asks: “But is there an ROI¹ on empathy?”

The article was not simply about a consulting business either. Selling “empathy training” leads to the financialisation of characteristics. Empathy now has a price tag. Certain employees will be more valued because they have great empathy skills or are good at acting. Those who don’t have adaptable personalities, will suddenly be considered less valuable as workers.

“That’s where empathy training comes in. Guided by the credo that you must first know yourself to know others, Altera’s employees first had to take the Myers-Briggs Type Indicator. A common personality test, it helped Altera form the right teams.”

¹ Return On Investment

In another article, criticising standardized SAT testing, Businessweek acknowledges how this commodification of intellect and talent may lead to unfortunate results and even reinforce economic inequality:

“Designed to ferret out hidden talent, the tests have become, for some students at least, barriers to higher education. Scores are highly correlated with family income; Harvard law professor Lani Guinier calls the SAT a ‘wealth test.’” (7.10.2013)

Still, the magazine explores the faults of SAT testing from a very neoliberal perspective. The logic of competition is constantly present. Businessweek is afraid that U.S. is “losing its lead in the global race for knowledge” and thus needs tests, which will be able to advance all sorts of intelligence.

The Economist is also investigating the growing business of emotions in an in-depth article *Love at first byte* (1.1.2011). These match-making companies are commodifying relationships and branding holidays.

“For online-dating agencies, it is a golden opportunity, as people who have spent the holidays ruminating over unsatisfactory or non-existent love lives log on in their thousands, hoping to find romance—ideally before February 14th.”

The Economist does not completely commit to the market determination and financialisation.

“Such experimentation will no doubt fuel the fears of those who worry that cyberdating is commoditising intimacy and undermining marriages. It is certainly plausible that the Wal-Marts of the online-dating world, with their overflowing virtual shelves of potential partners, have created the impression that a new flame can be found (and an existing one discarded or cheated on) in a mouse-click.”

The magazine acknowledges that emotions should not be reduced to commodities, but in the end makes a convincing argument that, as the match-making business gets smarter, digital services can make it easier to find suitable partners and better serve niche groups, such as sexual or religious minorities. Financialisation does not have to be a bad thing. Often opening new markets just make it easier for people to access certain products – or love.

In neoliberal hegemony, even fictional events in a book can be commodified and securitised. This is what happened before the release of new Harry Potter books.

“Now with Britain's biggest bookmaker taking bets that Harry will get killed off in the last instalment, the possibility looms that the figurehead of this brand won't even be "alive" soon. That could be a real drag for General Electric Co.'s Universal Parks & Resorts, which beat out rival Walt Disney Co. to build "The Wizarding World of Harry Potter" with Warner Bros.”

Financial pressure might even press artists and authors to placate their business collaborators by compromising their work. As Businessweek puts it: “The specter of a dead Harry could dampen some of the fun.”

The most harmful aspect of financialisation is observable in politics. This is an aspect of society that should not be for sale under any circumstances. Yet, as I explained in Chapter 4, lobbying and fund raising has very much made political opinions into products for sale. The logic of financialisation is present especially in election journalism, although the money keeps flowing even after the winners have been chosen. The financialisation of politics has just increased in recent years. This is how the Democratic primaries were described in the Economist in 2007 (6.10.):

“And this week [Hillary Clinton] reversed the only measure on which she was trailing: in the third quarter of the year, she narrowly beat Mr Obama in raising campaign contributions. Mr Obama's superior fund-raising has been the main source of worry for the Clintonistas.”

So, according to the interpretation of the Economist, fund-raising was the greatest worry for the Clinton campaign already eight years ago – not policy issues but money.

Businessweek wrote somewhat critically of the growing importance of money in 2012 U.S. Presidential and Congressional elections (3.10.2011).

“This go-round is on track to exceed \$6 billion, thanks in large part to recent court decisions that relaxed limits on corporate and union spending. All that money sloshing around--much of it hard to trace to the giver--infuriates government accountability groups.”

The article deals with James Bopp, a lawyer and Republican, who has long waged war to remove all restrictions on political funding. While Businessweek retains certain distance from his views and interviews his critics as well as proponents, the magazine does

not attempt to defeat Bopp's main argument that giving huge donations is part of freedom of speech.¹ The magazine describes Bopp's tactics almost admiringly through the logic of individualism:

"That's exactly Bopp's strategy. Instead of mounting an assault on an entire statute all at once, he tends to tightly focus his cases in hopes of eliminating one provision within the law. He then comes back later to attack another part, chipping away at the whole over time."

6.9 Entrepreneurial heroes incarnate individualism

The logic of individualism is especially strongly present in Businessweek articles. Unlike the analytical Economist, Businessweek revels in heroes – plucky entrepreneurs, magnanimous, genius inventors, and cunning bankers. They often approach a story through such a hero or an anti-hero.

For example, an article about German e-commerce is told through a brave self-made entrepreneur (3.4.2006), campaign funding has exploded because of one indefatigable lobbyist lawyer (3.10.2011), and Microsoft's strategy hinges on (former) vice president J Allard (4.12.2006). When telling readers about Allard's adventurous lifestyle Businessweek makes even a biking accident and obnoxious typing style seem glamorous.

"Everything with Allard is about velocity. He drives a Ferrari 360 and a Porsche 911. He bombs down ski runs during the summer on a mountain bike at speeds topping 30 miles an hour. He qualified for the U.S. Nationals race this summer but had to drop out after he was hit by a car while biking around Seattle. He even blazes through e-mail, jotting down notes all in lower case: 'shift key slows you down.'"

These heroic tales of talented individuals are vital to keep the neoliberal mythology alive. All forms of capitalism have highlighted few exceptionally successful persons,

¹ Supreme Court of the United States bought Bopp's argument about the freedom of speech when they ruled in favour of Citizen United in 2010 and allowed unlimited indirect campaign donations. Bopp was the one who filed the suit initially.

like J.P. Morgan, John D. Rockefeller, Henry Ford, Elizabeth Arden, and Samuel Walton. But only during the era of neoliberal hegemony, has the individualism risen to the level of outright worship, which was especially noticeable when one of Apple's founders and its CEO Steve Jobs died in 2011. Even the Economist joined in the worldwide idolatry:

“Many technologists have been hailed as visionaries. If anyone deserves that title it was Mr Jobs.” (8.10.2011)

The magazine described how Jobs made Apple's product launches “quasi-religious experiences”. Jobs himself was “a man ahead of his time”, “a Zen-like mystic” who lead Apple with “sheer force of character” and launched “magical products”. Similarly some current entrepreneurs, like Elon Musk of Tesla, Jack Ma of Alibaba, Jeff Bezos of Amazon, and Mark Zuckerberg of Facebook, are considered almost messianic figures who are changing the world with their products.

On the other hand, the logic of individualism has started to move somewhat against the logic of financialisation. Jobs might have never risen above a cult figure, if he hadn't made Apple incredibly profitable and the most valuable publically listed company in the world. But even in his case, most of the attention was given to how he changed our communication habits – not how much money he made. In fact, he was rarely portrayed as an especially rich person.

Leaders like Musk and Bezos, are admired solely because they are trying to change the way the world works. Amazon rarely makes profit, and Tesla has never been profitable (although both are very valuable companies and have made their founders extremely rich). Both Bezos and Musk even have ambitious and risky space travel projects in addition to their main businesses. Similar adoration is aimed at many young entrepreneurs mostly because of their ideas, not so much because they make a lot of money. In some ways, the logic of individualism is breaking away from the impatient, money-centred neoliberal hegemony and sliding towards the logic of communality. Heroes are admired because of the good they are doing for the society, not automatically because they are wealthy.

Even legendary investor Warren Buffet is no longer worshiped solely for his business acumen, but for his patient long-term investment strategy and reasoned commentary on taxation. He, like most other billionaires, does his best to pay as little taxes as possible,

but he is celebrated because he acknowledges how bizarre ubiquitous tax inversion is and often points out how his secretary has a higher tax rate than he does (Economist 11.4.2012).

Still, there is a lot of traditionally neoliberal articles, which put business leaders on a pedestal just because they ooze success – not because of their contributions to the society. This is how Businessweek describes Leslie Blodgett, a cosmetics company CEO in the article *Behind Every Great Woman*:

“It's not merely her six-inch platform heels and bright magenta-and-blue dress that set her apart in the Thousand Oaks (Calif.) mall boutique, but her confidence. - - And when she isn't helping anyone, she pivots on her heels for admirers gushing about her dress, made by the breakout designer Erdem.” (9.1.2012)

All the celebrated characteristics of neoliberalism are present: confidence, money, beauty, success. Blodgett is a valued individual because she has climbed to the top. She is referred to as a “CEO mom” with a “trophy husband”. This is how the neoliberal hegemony categorizes people. Being a business leader is valuable, while being a stay-at-home parent is a supportive role. The magazine makes this clear even though Blodgett herself points out that her husband “does everything at home – the cooking, repairs, finances, vacation planning --”. According to Businessweek, stay-at-home parents “dial back their careers” because they “need to get out of the way” of their more successful spouses.

While the article clearly attempts to be playful with the idea that it is now men's turn to stay in the kitchens, it ends up just enforcing the neoliberal ideal of a human being. This *Übermensch* CEO is a money making machine who still has time to look good and act perfect. Unfortunately, stay-at-home parents (who are still, far more often, women) are appointed to roles that are considered only supportive, within the neoliberal hegemony.

At best, Businessweek describes househusbands as “their powerful wives' chief domestic officers”, which again puts them in a servile position in relation to their spouse, the CEO. The division to masculine and feminine roles has also not ceased. Stay-at home fathers are seen womanly and corporate leaders manly, regardless of their gender. As Businessweek blithely writes: “To make it to the top, you need a wife. If that wife happens to be a husband, and increasingly it is, so be it.”

7 CONCLUSIONS

A shock to the system can potentially open gateways to massive structural changes within societies. But was that the result of the 2007–2009 financial crisis and the following Eurozone crisis? Most likely not, but it could have been an important push towards the change. Ethical issues and demands for radically new regulatory framework for financial markets have lately become acceptable and even common topics in mainstream media. It might still take another crisis before the disruption becomes strong enough to force widespread change.

For pro-business magazines like the Economist and Businessweek, the financial crisis was both a declaration of war and a harbinger of possible apocalypse of the free market. Both magazines were founded to protect economic freedom. That's why the Economist declared in one of its October issues that economic liberty is under attack and capitalism at bay. The Economist had witnessed, how the wave of financial panic made governments to nationalise many of their financial institutions. France's moderate pro-business president Nicolas Sarkozy even bluntly stated that "laissez-faire is finished" (Bloomberg 30.9.2008). The Economist continued firmly to oppose increasing the role of the government:

This newspaper hopes profoundly that this will not happen. Over the past century and a half capitalism has proved its worth for billions of people. The parts of the world where it has flourished have prospered; the parts where it has shrivelled have suffered. Capitalism has always engendered crises, and always will. The world should use the latest one, devastating though it is, to learn how to manage it better. (16.10.2008)

The magazine did not contest the need for temporary government support, but showed concern to bankers' bonuses and the ability of public sector to run the nationalized banks. It asked for better government, not more government, and was ready support regulative measures only in the financial sector. It predicted that after the crisis was over: "healthy popular hostility to a strong state that normally pervades democracies should reassert itself." While this attitude does not give an inch on the possibility of a discursive shift, the defensiveness is a sign of the awareness that there is a real threat to the hegemony.

What is quite surprising is the relative unwillingness to change the discourse *within* capitalism. In the middle of the crisis, business magazines offers very little suggestions (apart from slightly increasing financial regulation) as to how capitalism could be improved by abandoning the neoliberal hegemony and replacing it with something better suited to the new world order.

Disruption of hegemonic systems happens by unexpected and extraordinary events “that cannot be symbolized by an existent discursive order” (Howarth 2000, p. 111). Such events, for example a financial crisis, can introduce opportunities for new kind of articulations to seize the power and shake up the current hegemony. The disruption caused by the financial crisis was real as was clearly demonstrated by confused Alan Greenspan who was forced to admit that he had found “a flaw” in the system.

The flaw was first apparent to almost everyone, but as the time went by and the economy started to slowly recover because of the stimulus, correcting the flaw became less and less pressing. Those changes in regulation that were approved (like Dodd-Frank Act), ended up being watered down and overly complicated versions of the original suggestions. Business media showed initially some willingness to support reforms, but several years after the crisis *status quo* starts to feel the safest option.

According to Dahlberg and Phelan, Laclau emphasized that these sort of disruptions or *dislocations* have no predetermined effects, and that a shift in the discursive order is not the inevitable result when the existing system faces shocks (2011, p. 25). The established order can be durable and resistant against change, especially if the opposing or external discursive articulations don’t gain enough long-term traction in mainstream public discussion – chiefly, the media. Dahlberg and Phelan think that this is exactly what has happened in the aftermath of the 2008 financial crises, and neoliberalism (market fundamentalism) has proved its resilience as the reigning discourse in western societies and the so-called global order:

“– it is clear that the dislocatory rupture in neoliberalism has not seen a collapse in symbolic and psychic identification with neoliberal prescriptions. Indeed, if anything, the current political preoccupation with a ‘deficit crisis’ in many countries points to a retrenchment of the state that is entirely in keeping with a doctrinaire neoliberalism.” (2011, p. 26)

The easiest thing is to just protect the familiar ways of doing things. Discourse shifts require collective courage and creativity from the societies. Peter Thiel, an investor and

entrepreneur, laments the loss of unorthodox thinking in his book *Zero to One*. Although he talks about “secrets”, which we are less and less willing to discover in an age when we think everything has already been discovered, he could just as easily be yearning for antagonistic, out-of-the-box thinking and the breakthrough of counter-discourses to challenge the hegemony. Coincidentally (?), he draws a timeline in which the laziness of thinking can be traced back to the beginning of the neoliberal hegemony:

“Forty years ago, people were more open to the idea that not all knowledge was widely known. From the Communist Party to the Hare Krishnas, large numbers of people thought they could join some enlightened vanguard that would show them the Way. Very few people take unorthodox ideas seriously today, and the mainstream sees that as a sign of progress. We can be glad that there are fewer crazy cults now, yet that gain has come at great cost: we have given up our sense of wonder at secrets left to be discovered.”
(2014, 137–138)

Thiel’s point about the certain stagnancy about the current state of the world is pertinent to my research. Granted, his thinking may stem from an impatient mind of a contemporary man. After all, when it comes to technological advancement, this world has been on overdrive for the last two centuries at least, and is just gaining momentum. While the neoliberal discourse has ruled the Western world, we have entered the computer age and revolutionized our communication. Surely there’s some sense of wonder in the way the humanity researches artificial intelligence, nanotechnology, robotics, and virtual reality?

Yet, what if Thiel is in some ways right? While computers have made many things in our lives more convenient and quicker, the hegemonic discourse of neoliberalism has lasted already for four decades. Perhaps our social networks have widened, but our thinking has stagnated. Reluctance to give space to unorthodox ideas is habitual to mainstream media, especially when it comes to ideas that challenge the reigning economic or political models.

While humanity is obsessed with technological advancement and continues to be so, maybe even this is just another way of being stuck. Especially when the innovators have been mostly focused on entertaining us, instead of truly revolutionising the way we approach things like financial markets, energy, transportation and food production. We are engrossed by digital entertainment and gambling because that is part of the hegemonic thought structure. Maybe we believe, as Thiel says, that we’ve solved the *great* questions. All that is left, is a little bit of tinkering.

That sort of attitude, if persistent, could endanger the whole model of Laclau's discourse theory. It might truly bring an end to history, as Francis Fukuyama prematurely predicted a quarter of a century ago. Unfortunately, that end would not be an achievement to be celebrated. If the hegemony cannot be shaken, if nobody is willing to fundamentally change things, if contingency and the field of discursivity – the whole universe of optionality – gets forgotten and unused, the humanity will continue to stagnate. No solutions to replace or radically improve current system will ever arise. I find this unlikely, but it is a possibility – if the world keeps sniffing at alternative thinking.

I have tried to explore in this thesis how neoliberalism came to be the hegemonic discourse of our time and what its standing is today after the financial turmoil. My focus was mainly in the media, specifically business magazines, because of my own interests and profession. The limited scope of my research material hinders me from drawing definitive conclusions, but it does appear that the neoliberal hegemony is, so far, putting up a tenacious fight against potential counter-discourses and is also resisting to be modified significantly.

Whether the whole media has become more reflective about the pros and cons of neoliberalism would require further research. It would be fascinating to see how, for example, all major business publications have altered their discursive choices all the way from the late 1970s to this date. Unfortunately, I do not have the resources to execute a study that expansive in this occasion. Another route would be to study general publications such as *The New York Times* or the development of TV news through last four decades.

Ernesto Laclau's discourse theory is a good way to research political, economic, and social issues – especially if that research is focused on specific texts that are available for an analysis. I could have chosen less normative and more neutral method, which could have simply included counting different elements within media texts. However, I found that type of research tedious and often too timid. The results are easily quantified and verified by others, sure, but I prefer a more dialogic and even argumentative approach to social studies. The discourse theory will never result in indisputable conclusions, but that is not its purpose. Its purpose is to create awareness of the discursive power structures around us in every aspect of our society and give us tools to modify those structures. I hope this research has aided in that.

Personally, this thesis has helped me live through the financial crisis and its aftermath again. However, this time I got to experience it as a researcher – eyes wide open. Choosing to explore this topic through the discourse theory made me to reflect on my own work as a journalist.

Although I have sometimes criticised the respected journalists of *The Economist* and *Businessweek* quite harshly in this thesis, I acknowledge that all journalists, myself included, can become utterly blind to the power structures of our everyday lives. It is fiendishly difficult, perhaps impossible, to separate ourselves completely from the hegemonic discourse and think independently. But we must try. This adventurousness of minds is exactly what is needed in order to keep our societies evolving.

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APPENDIX 1 Research material

Chosen articles from Businessweek and the Economist 2006–2013. From 2010 on Businessweek became Bloomberg Businessweek. The Economist issues are all from the European Union edition.

The Businessweek articles are acquired from EBSCOhost Database: Business Source Elite – Publications using the access of the University of Tampere. The Economist articles are acquired from its own archives (www.economist.com/printedition/covers).

List of articles:

Businessweek 9.1.2006 *Can the Fed keep things cooking at a low boil?*

Businessweek 3.4.2006 *Ebay's Rhine gold*

Businessweek 3.7.2006 *Death of a pushy salesman*

Businessweek 2.10.2006 *Bad blood over bad loans*

Businessweek 4.12.2006 *The soul of a new Microsoft*

Businessweek 1.1.2007 *Why the market isn't listening to the Fed*

Businessweek 2.4.2007 *The Rise and fall of a corporate head hunter*

Businessweek 2.7.2007 *The twisted economics of Harry Potter*

Businessweek 1.10.2007 *Washington's brain drain*

Businessweek 3.12.2007 *The taxman barely cometh*

Businessweek 14.1.2008 *A price war in health insurance*

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Businessweek 6.4.2009 *Geithner's plan: the need for speed*

Businessweek 6.7.2009 *The asset hunters*

Businessweek 5.10.2009 *Searching for true north*

Businessweek 7.12.2009 *Land rush in Africa*

Businessweek 11.1.2010 *Mania on the mainland*

Businessweek 5.4.2010 *CEO pay drops, but...cash is king*

Businessweek 5.7.2010 *Who would bet against John Paulson?*

Businessweek 4.10.2010 *Trying to starve Obamacare*

Businessweek 6.12.2010 *Will video kill the internet, too?*

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Businessweek 2.12.2013 *Subprime loans are boosting car sales*

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The Economist 1.4.2006 *France faces the future*

The Economist 1.7.2006 *The new powers in giving*

The Economist 7.10.2006 *The search for talent*

The Economist 7.12.2006 *Storm in a coffee cup*

The Economist 6.1.2007 *Bull session*

The Economist 1.4.2007 *Globalisation's offspring*

The Economist 1.7.2007 *Fannie and Freddie ride again*

The Economist 6.10.2007 *The comeback kids*

The Economist 1.12.2007 *Losing faith in the greenback*

The Economist 5.1.2008 *Sayonara, salaryman*

The Economist 8.4.2008 *Fixing finance*

The Economist 5.7.2008 *What a way to run the world*

The Economist 4.10.2008 *World on the edge*

The Economist 6.12.2008 *When the golden eggs run out*

The Economist 3.1.2009 *Generation Y goes to work*

The Economist 4.4.2009 *The rich under attack*

The Economist 2.7.2009 *Staying on board*

The Economist 3.10.2009 *The end is nigh (again)*

The Economist 5.12.2009 *Stopping climate change*

The Economist 2.1.2010 *Female power*

The Economist 3.4.2010 *Return of the overlord*

The Economist 3.7.2010 *The age of ethanol*

The Economist 2.10.2010 *India's surprising economic miracle*

The Economist 4.12.2010 *No easy exit*

The Economist 1.1.2011 *Love at first byte*

The Economist 2.4.2011 *Sad island story*

The Economist 2.7.2011 *An internet with Chinese characteristics*

The Economist 8.10.2011 *A genius departs*

The Economist 3.12.2011 *Africa rising*

The Economist 7.1.2012 *Save the City*

The Economist 7.4.2012 *Istanbuls and bears*

The Economist 7.7.2012 *The rotten heart of finance*

The Economist 6.10.2012 *Everything to play for*

The Economist 1.12.2012 *Survival of the biggest*

The Economist 5.1.2013 *The mixed fortunes of a fuel*

The Economist 6.4.2013 *The price of gold*

The Economist 6.7.2013 *Because he's worth it*

The Economist 5.10.2013 *Reform school for bankers*

The Economist 7.12.2013 *Stagnant thinking*

APPENDIX 2 Data presentation

Table 1: The logics found in The Economist articles 2006–2013*

*Blue is for logics that support the hegemony of neoliberalism. Red is for the counter-logics. The logics in an article are marked by numbers ranging from 1–5. At maximum, five logics are recorded in the chart. The strongest logic is marked with number five, the second strongest with number four and so on. Pre-Lehman means total points before the bankruptcy filing of Lehman Brothers (15.9.2008) and post-Lehman after that. Percentages at the bottom of the table are rounded, which is why they might not add up to exactly 100 percent.

Logic Date	Market-determinism	Financialisation	Individualism	Competition	Self-interest	Government direction	Humanisation	Communality	Cooperation	Altruism
7.1.2006	5	4				3		2		
1.4.2006	5			2	4	3			1	
1.7.2006	3	2						4	1	5
7.10.2006	4	1		5	3	2				
7.12.2006	3		1	4	5			2		
6.1.2007	5	4		2	3					
1.4.2007	4	3		5						
1.7.2007	1	5		3	4	2				

6.10.2007			3	5	4	2			1	
1.12.2007	4	3		5	2					
5.1.2008			3				5	4		1
8.4.2008	5	4		3				2		
5.7.2008				2	1	3		4	5	
4.10.2008	2					4		3	5	
6.12.2008	1	5			2		4	3		
3.1.2009			4		3		5	1	2	
4.4.2009	5	4			3					
2.7.2009		5		4	3	2				
3.10.2009	5	3			2	4				
5.12.2009	1				2	5		4	3	

2.1.2010		5			3	1	2	4		
3.4.2010	2		4	5	3	1				
3.7.2010	1	5			3	4		2		
2.10.2010	2			5		4		1	3	
4.12.2010	5	1				2		4	3	
1.1.2011	2	5		1			4	3		
2.4.2011				4	5	3		2		
2.7.2011	4			5		2		3	1	
8.10.2011			5	3	1		4	2		
3.12.2011	1					3	5	4	2	
7.1.2012	4	2		5	3	1				
7.4.2012	4	3		5	2	1				

7.7.2012	4	3			1	5		2		
6.10.2012		2	4	5				3		
1.12.2012	4			5	3					
5.1.2013	5	1		2	4	3				
6.4.2013						3	4	5		
6.7.2013	2	5	3	1	4					
5.10.2013		2			4		3	5		
7.12.2013	5					3	2	4		
Logic	Market-de-terminism	Financialisa-tion	Individual-ism	Competition	Self-interest	Government direction	Humanisa-tion	Communal-ity	Cooperation	Altruism
Pre-Lehman	47 (18%)	40 (16%)	11 (4%)	40 (16%)	37 (14%)	21 (8%)	14 (5%)	25 (10%)	15 (6%)	6 (2%)
Post-Lehman	51 (16%)	37 (12%)	16 (5%)	46 (14%)	40 (13%)	45 (14%)	24 (8%)	48 (15%)	12 (4%)	0 (0%)
Total	98 (17%)	77 (13%)	27 (5%)	86 (15%)	77 (13%)	66 (11%)	38 (7%)	73 (13%)	27 (5%)	6 (1%)

Table 2: The logics found in Businessweek articles 2006–2013*

*Blue is for logics that support the hegemony of neoliberalism. Red is for the counter-logics. The logics in an article are marked by numbers ranging from 1–5. At maximum, five logics are recorded in the chart. The strongest logic is marked with number five, the second strongest with number four and so on. Pre-Lehman means total points before the bankruptcy filing of Lehman Brothers (15.9.2008) and post-Lehman after that. Percentages at the bottom of the table are rounded, which is why they might not add up to exactly 100 percent.

Logic Date	Market-determinism	Financialisation	Individualism	Competition	Self-interest	Government direction	Humanisation	Communitarity	Cooperation	Altruism
9.1.2006	4	3				5				
3.4.2006	4		5		1		3	2		
3.7.2006	3	5		4						
2.10.2006	5	4		3						
4.12.2006			4	5	2		3			
1.1.2007	5	4				3				
2.4.2007			5	2	3		4			
2.7.2007	4	5		3	2					
1.10.2007	4	5				3		2		

3.12.2007		4			3	5				
14.1.2008	5	4		3	2					
7.4.2008	4	3		5						
7.7.2008		3		4	2	5				
6.10.2008				3	2	5			4	
1.12.2008		1				5		3	4	2
12.1.2009	5			4	3	2				
6.4.2009	3	5		2		4				
6.7.2009	1	2	4	3	5					
5.10.2009	5	4		3	2	1				
7.12.2009		3					1	5	4	2
11.1.2010	2	3			5	4				

5.4.2010		5	1	4	2			3		
5.7.2010	2	1	4	5	3					
4.10.2010				5	4			3		
6.12.2010	4	5		3				2		1
3.1.2011	3	4				5		2	1	
4.4.2011		5	4	3	2			1		
4.7.2011	2					3	4	5		1
3.10.2011	3	5	1	2	4					
5.12.2011	4	1				5		2	3	
9.1.2012			5	3	4				2	1
2.4.2012			2	1	5	3		4		
2.7.2012	1			2	5	4			3	

1.10.2012			4		5	2	1			3
3.12.2012	1					5	3	2	4	
7.1.2013					1	3		4	5	2
1.4.2013		4					5	4		
1.7.2013			3			5			4	
7.10.2013				2		1	5	4		3
2.12.2013	4	5		3	2					1
Logic	Market-de-terminism	Financialisa-tion	Individual-ism	Competition	Self-interest	Government direction	Humanisa-tion	Communal-ity	Cooperation	Altruism
Pre-Lehman	38 (22%)	40 (23%)	14 (8%)	29 (17%)	15 (9%)	21 (12%)	10 (6%)	4 (2%)	0 (0%)	0 (0%)
Post-Lehman	40 (10%)	53 (13%)	28 (7%)	48 (12%)	54 (14%)	57 (15%)	19 (5%)	44 (11%)	34 (9%)	16 (4%)
Total	78 (14%)	93 (16%)	42 (7%)	77 (14%)	69 (12%)	78 (14%)	29 (5%)	48 (9%)	34 (6%)	16 (3%)